

The NATIONAL UNDERWRITER

Life Insurance Edition



"ESSENTIAL? ME?"

Yes, Mr. Policyholder, you are a very essential fellow. There are 67 million of you . . . and that means one out of every two men, women and children in the United States own a life insurance policy like yours.

Just by itself, your individual contribution to our country's war-time economy may be a relatively minor one. But as part of a vast army of premium payers, you are doing a big job in helping to keep America's finances on an even keel during these critical days.

First of all, a large part of your premium dollar—and that of your neighbor—is helping the war effort by going straight into U. S. Government securities. Last year the entire increase in life

insurance assets was invested in Uncle Sam's bonds.

Second, your premium dollars are helping to stave off inflation. Every dollar added to the cash value of your life insurance policy is one more dollar of savings removed from the mad scramble of spending that is forcing prices upward. Your life insurance premiums are serving well on this important front.

Third—and vitally important—your premiums are helping to keep up morale—yours, your family's, your community's. In these crucial times, your life insurance permits you to go about your daily work with a freer mind and a lighter heart.

Essential, Mr. Policyholder? Well, America just wouldn't be America without you.



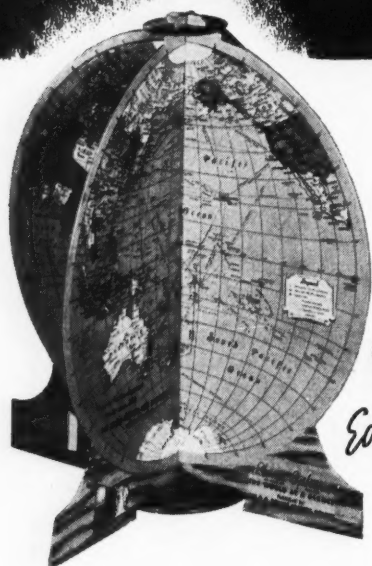
PROVIDENT MUTUAL
LIFE INSURANCE COMPANY OF PHILADELPHIA
Pennsylvania • Founded 1865

A supply of the reprints of this advertisement will be furnished on request for distribution to policyholders. In replying, please use your business stationery and mention the name of this magazine.

FRIDAY, APRIL 2, 1943

**STILL ANOTHER NEW SALES
AID THAT'S BRINGING IN
BUSINESS FOR U.C. AGENTS!**

*The
Plano-
Sphere!*



*Interesting!
Educational!
Timely!*

**"Sure-fire" for cracking
the juvenile market!**

UNION CENTRAL'S PROSPECT
LETTER OFFERING THIS
UNIQUE DEVICE BROUGHT OVER A
10% REPLY
ON ITS FIRST MAILING

**The UNION CENTRAL LIFE
INSURANCE COMPANY**

Cincinnati, Ohio

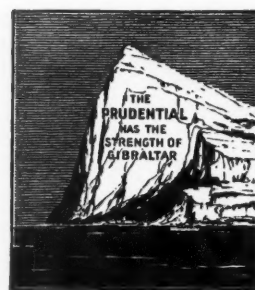
Over \$450,000,000 in Assets



Two Small Reasons
for
Life Insurance

But they are mighty
important to the father of a tiny
son and daughter.

Show a father how life insurance
protection will safeguard his boy
or girl and you'll find a most
attentive and responsive prospect.



The Prudential
Insurance Company of America

Home Office, NEWARK, N. J.

Phil Hobbs Tells of Developments as to Manpower

N.A.L.U. Hears of Discussions on Subject with WMC

The important steps that have already been taken on the part of the life insurance interests to gain from the war manpower commission a satisfactory determination of the place of the life insurance field man and other insurance workers in the war time economy was related to the national council of the N.A.L.U. at its mid-year meeting in Kansas City by Philip B. Hobbs, Equitable Society, Chicago, as chairman of the N.A.L.U. committee on manpower. Mr. Hobbs recalled that Executive Vice-president James E. Rutherford in addressing the Sales Research Bureau and Life Agency Officers last November requested the companies to assist in presenting to Washington authorities the facts concerning the work of the agent so that his proper place might be determined.

A.L.C. Group Gives Aid

On Dec. 2, the executive committee of the American Life Convention at a meeting in New York authorized the president to name a committee to co-operate with the N.A.L.U. in the matter. On Dec. 11, President Grant Taggart of the N.A.L.U. was authorized to name a committee of three members and on Jan. 8 in Chicago committees of the N.A.L.U. and the A.L.C. in a joint session outlined definite plans. Shortly thereafter the Life Presidents Association appointed a committee of six and on Jan. 28 the three committees had a joint session in New York.

At that meeting it was decided to seek an expression from the WMC regarding the essential nature of the life insurance business and the agent. The committee agreed that no deferment should be requested so far as the armed forces are concerned. It was agreed that statistics should be gathered and a statement prepared to show the contribution of the agent to the American way of life. It was hoped that such a statement might result in the agent being determined as essential to the maintenance of the national safety, health and interest, one of three bases for essentiality of occupation in a nation at war.

Conference With McNutt

During the week of Feb. 15 a meeting was held with War Manpower Commissioner McNutt and inquiry was made as to what facts and statistics would be most beneficial to the commission in reaching a conclusion as to the proper place of the field men and home office employees in the war time picture.

As a result of that conference two projects have been undertaken. In the first place, the N.A.L.U. was requested to secure exhaustive manpower analyses from at least a dozen agencies throughout the country. Fourteen agencies were selected, five from the east, four middle west, three west and two south. Twelve of these made the regular reports that were desired and two made special reports.

Each of these analyses required a
(CONTINUED ON PAGE 20)

Hartford Insurers Granted Relief

Extension Given on 48 Hour Week—May Decide on 44 Hours

HARTFORD—The peculiar complexity of their manpower problems has earned Hartford's insurance companies a temporary exemption from the executive order establishing a 48-hour working week in this area, William G. Ennis, state director of the U. S. Employment Service and acting area director of the WMC, announced Monday.

Study of the difficulties involved in the transition to the longer schedule being conducted by the USES, the companies, and the banks, which are the only others allowed the extension of time, is expected to be completed by April 15.

With working staffs already reduced below their most effective size, in the opinion of company executives, and office employees now also manning the numerous posts of civilian defense organizations, for which factory workers are not available, many employers feel that a 44-hour week would be their most efficient schedule.

The WMC agrees that it has no intention of disrupting civilian defense activities to gain its ends. Some companies now employ persons individually unable to work 48 hours weekly, because of age, physical infirmity, home conditions, or part-time employment elsewhere. Departmentalization is a further obstacle to reducing staffs, employees being rarely interchangeable from one department to another. Uncertainty regarding further selective service inroads makes it difficult to get an accurate picture of the situation faced by the companies.

SITUATION IN SEATTLE

SEATTLE—Many of the larger northwest insurance offices employing eight or more persons were filing petitions for exemption from the 48-hour week ruling of the War Manpower Commission as the April 1 deadline approached. The Seattle office of the WMC was accepting numerous letters from insurance offices appealing for exemption. By filing requests in writing, the firms were granted relief from complying by April 1 until such time as local officials can study each request and act thereon.

Broad discretionary authority, it was pointed out, is vested in local manpower directors. Those filing requests for exemption were told to state the number of employees, sex, job classification and what the probable effect would be by converting to a 48-hour week with respect to releasing personnel for other work. It was indicated that if a satisfactory showing were made that employees would not be released by non-essential businesses converting to 48-hour minimum work week that exemption would be granted.

In the meantime, the larger insurance offices were faced with the problem of keeping adequate personnel due to wage-freezing regulations and also the 48-hour week requirement. Some executives expressed more concern over the wage-freezing ruling, pointing out that offices employing eight or less were using higher pay and shorter hours to bid for services of experienced personnel.

Zone 4 Commissioners Rally

A meeting of Zone 4 insurance commissioners is scheduled for Indianapolis April 7.

E. W. Baker Heads N.A.L.U. Group of Nominators

Edward W. Baker, district manager for Prudential at Louisville, is the chairman of the nominating committee for the National Association of Life Underwriters that will bring in a report at the annual meeting in Pittsburgh the week of Sept. 12.



E. W. Baker

In the past few years the high man in the balloting for members of the nominating committee at the mid-year meeting of the national council has automatically been the chairman. The procedure was changed, however, at the Kansas City mid-year meeting and the members of the nominating committee elected their own chairman.

The other members are C. Vivian Anderson, Provident Mutual, Cincinnati; Lester O. Schriver, Aetna Life, Peoria, Ill., both of whom are past national presidents; Walter N. Hiller, Penn Mutual, Chicago, and E. Dudley Colhoun, Shenandoah Life, Roanoke, Va. These five men were high in the balloting from a group of 15.

New Law Aids N. Y. Bank Policy Loans

NEW YORK—Governor Dewey's approval of the bill specifying that an assignment of a life insurance policy must be in writing and signed by the policyholder clears away the last barrier which has kept a few New York banks from lending on life insurance policies. While most banks have gone into this business freely others have held back, largely for fear that in some cases there might be a prior assignment against a policy. Until the new law was enacted there was the possibility of an old assignment being advanced to thwart a lender's claim against proceeds. Even under the new measure there is a possibility of a conflict of assignments, for it is not the practice of life companies to inform the holders of assignments of any prior assignments.

In spite of these possibilities, however, some banks have made very large loans against policies. One of the largest was for \$1,000,000 and was made to permit the purchase of a single premium policy back in the days before the revenue law was revised to disallow deductions for interest paid on this type of loan. Where the aim was not to avoid taxes through purchase of a single premium policy loans have run as high as \$850,000.

American Life Convention Committee to Meet

The executive committee of the American Life Convention has made it a practice to meet at the time and place the Medical Section holds its annual meeting. The Medical Section is not holding its meeting this year. The convention therefore will have an executive committee meeting probably April 24, in Chicago. At that time it will be decided officially whether it will hold its annual meeting but it is believed that it will, owing to its importance, and if it is held it will be the week of Oct. 3.

Pittsburgh Is Chosen for N.A.L.U. Parley Sept. 12-16

Mid-Year Meeting at Kansas City Is Big Success

By LEVERING CARTWRIGHT

The annual meeting of the National Association of Life Underwriters will be held at the William Penn Hotel in Pittsburgh the week of Sept. 12. It will be on a smaller scale than the big conventions of the past but it will be considerably more impressive than the skeletonized Chicago meeting of last fall. Trustees of the N.A.L.U. made the decision at their meeting in Kansas City Saturday after having been authorized by the National council the previous day to take such action.

Executive Vice-president James E. Rutherford, in bringing up the subject at the national council meeting, recalled that in Chicago last fall nothing was said about the 1943 annual convention and hence decision had to be made at Kansas City. He said that life insurance is an essential business and it is proper that the N.A.L.U. hold a convention.

R. M. Stevenson, Berkshire Life, presented the invitation from Pittsburgh to the trustees. Chicago and St. Louis also presented invitations. Oklahoma City asked for a mid-year meeting some time in the future and Los Angeles said that it wants to be convention host some year soon after the war.

Hoffman Visits Pittsburgh

Max Hoffman, managing director, went on to Pittsburgh Monday and conferred with the local people about preliminary convention arrangements. It was decided that it should be a four-day meeting with Wednesday and Thursday devoted to a formal speaking program. Just what the program will be Monday and Tuesday has not been definitely decided. It may be that the national council will have its meeting Monday and Tuesday will be given over to sectional meetings such as managers and general agents, Million Dollar Round Table, women underwriters, etc. However, there is a possibility that Monday will be assigned to meetings of the trustees and of committees and that the national council meeting will be held Tuesday.

The trustees felt obliged to make the decision as to the convention city themselves rather than leaving it to the national council because of the necessity of giving prime consideration to such matters as hotel accommodations and the transportation situation. Entertainment features will be eliminated and it will be strictly a working convention.

Beats Chicago Record

The Kansas City mid-year meeting was most successful and the registration exceeded that of even the Chicago national convention last year. J. Frank Trotter, Mutual Life, the general chairman, and his associates, had made very finished preparations. Mr. Trotter was the general chairman in 1936 when the mid-year meeting was held at Kansas City and that was the

(CONTINUED ON PAGE 22)

Takes Glimpse at Future of Pension Plans

H. C. Kwasha Gives Valuable Analysis to Management Group

In discussing the future of pension plans before a conference of the American Management Association, H. Charles Kwasha, actuarial consultant of Marsh & McLennan, concluded that an increase in the federal old age benefit scale of payments is unlikely; that should an American Beveridge plan be adopted on a subsistence basis, the amount of the retirement benefits would probably be no different than that already in effect under social security; that, excepting for rampant inflation, changes in the purchasing power of money will be averaged out in the ultimate benefits and that bonafide pension plans which are reasonable in benefits and in normal retirement age should continue to receive favorable tax treatment.

If the retirement age for women under compulsory social security were lowered to 60, it would be simple to adjust the retirement age for women under those supplemental plans where the retirement age for women is higher than 60. Additional contributions would be required, presumably from the employer, if the same amount of benefit is to be paid at age 60 as would have been paid at the higher age. In lieu of paying the additional amount, the employer could choose to have the lower benefit paid. Many retirement plans already utilize an age of 60 for the retirement of women.

American Beveridge Plan

It is evident, he said, that the U. S. is moving definitely in the direction of a broadening of the scope of its present social security program and whether or not it will be earmarked as an American Beveridge plan seems to make little difference and that the old age benefits for an American Beveridge plan are already in effect and, being on a subsistence level, permit of supplementation by employer pension plans.

In discussing the threat of inflation, Mr. Kwasha observed that most retirement plans provide for a retirement benefit based on average annual income up to retirement age. Contributions are made at regular intervals and are made with dollars varying in purchasing power. However, over a period of 20 or 30 years previous to retirement, it is possible to strike an average which in the main will produce a satisfactory result at the time that the employee retires.

Some retirement plans, however, provide that benefits be a percentage of final pay. It is conceivable that with such a plan financial embarrassment may result should circumstances bring about a substantial upward adjustment in compensation, just before retirement, with resulting increased retirement benefits. Established reserves would be inadequate to provide the increased benefits and very little time would be afforded to make up the deficiency before the employee retires.

Hence it is important to stipulate that benefits under that type of plan be predicated on an earnings base period of at least 10 years prior to retirement age.

Mr. Kwasha spoke of the recent federal revenue act changes.

In drafting the new law, the treatment of group annuities and pension trusts was brought into line, he said, and this leads to the belief that henceforth, the use of the pension trust arrangement will

(CONTINUED ON PAGE 13)

Effects of U. S. Revenue Law Viewed by Cook and Todd

Two authorities on life insurance for business and tax purposes, both of whom have qualified as million dollar producers, discussed the effect of the new federal revenue law at a session of the Saturday Forum in Chicago sponsored by the Chicago Association of Life Underwriters, with J. F. Ramsey, Mutual Benefit, presiding. The experts were John O. Todd of H. S. Vail & Sons, Northwestern Mutual, and Paul W. Cook, general agent Mutual Benefit, both of Chicago.

Mr. Todd spoke on life insurance and the new income and estate taxes. He said many objections which a prospect voices when he is approached about buying life insurance for tax purposes are merely arguments for his taking the life insurance. When the man says he cannot afford the policy he is telling the agent that he needs it and that if he could afford it he would like to have it. If a man on the other hand says he does not need the policy, the agent need only show him that he does need it and the problem is solved.

Gives Practical Advice

"Men do with their money what they think is most important to do," he said. "They are never in the position of not being able to afford it. We should consider how much life insurance is enough and ignore whether he can afford it. He will decide whether he can afford it or not. Men will buy life insurance out of principal, rearrange their budgets and fight for life insurance when they know what it will do for them."

"Demonstrate the need of your prospect and then you have a substantial possibility of success. If he thinks he hasn't money enough to buy, then your function is to show him where he can find it."

Mr. Todd advised giving the prospect opportunity to be his own executor, to give him the dramatic opportunity of sitting down with his wife after he is dead and showing her how much she has to live on. This helps to visualize the life insurance proposal for the man. Mr. Todd urged making out a minimum budget and letting the man get a picture and fix the problem, when he will fight for the protection. The real problem, Mr. Todd says, is for the agent to qualify himself so that the prospect will think the agent can solve the problem he knows exists.

Offers Two Package Sales

An excellent package sale at present, he said, is to the man with a son in the service. It can be pointed out to such a prospect that if he is gone when the son returns there may be many bills and the son may have to take the first job that comes along in order to begin supporting himself immediately in civilian life. He urges \$5,000 or \$10,000 to permit the son to pick and choose his civilian job after the war. Another package sale that is good now is to carry out relatively small gifts of \$500 or so to individuals.

"Estate planning is more necessary now than ever before," Mr. Todd said. "Investment of principal in either single or annual premium life insurance is also more attractive than ever before."

"Family income programs that were adequate two years or so ago are not adequate today. It costs more to live. The bare essentials planned for in the insurance program were food, rent and clothes; most of the programs did not contemplate any surpluses. Unless the individual has the right ration ticket he cannot buy many things. Dollars are cheap today."

Contributes to Nationalism

Mr. Todd said the sale of life insurance and war bonds is a strong medium for maintaining nationalism. Life insurance with its 65,000,000 policyholders is a real cross section of the country. On the life insurance men and women rests

the burden to see that the distribution of life insurance and war bonds does the job. If an agent is not willing to do that he should join the army or take a war job or secure a place in one of the auxiliary services, Mr. Todd concluded.

General Agent Cook showed some of the sales possibilities in the new income tax law. He urged dropping into a tavern or department store and watching the trade, seeing the money being spent. Mr. Cook said unquestionably corporation income tax is very disturbing now. The agent should first bring out the treatment of the corporation's profits is the most important phase of corporation management now. The making of profit is not hard now but the treatment of profit is hard, for if the profit is retained the management is on the horns of a dilemma. The business man is trying desperately to find a way to treat accumulated profits. One business man, he said, stated, "If I would admit it, I am working for tax deduction." A business man is willing to listen to anyone who can help him avoid high corporation and individual taxes, Mr. Cook said.

Give Accurate Information

Mr. Cook distributed copies of a pocket tax card bearing minimum information needed prepared especially for his agency by Spindell-Millett service, Chicago. He emphasized that in handling this kind of business it is necessary to give precise information and make no mistakes. It does not hurt the insurance man, Mr. Cook said, to admit that he does not know the answer to a question but say that he will look it up.

Pension trusts can be complicated or simple. He pointed out many closed corporations have tremendous surpluses. The federal wage limitation permits a corporation to give an employee an increase in the form of life insurance. The life insurance policy on the life of the valued executive certainly can be justified as a business expenditure, Mr. Cook commented, and the accumulation, of course, is an accumulation of surplus.

Pension Trust Opportunity

"The pension trust provisions of the law present the greatest opportunity for selling life insurance that has ever developed," Mr. Cook said. He emphasized that although these cases may involve quite a number of lives, they should be given the same careful underwriting as is given to the individual. The temptation in handling a pension trust he said, is to handle it as a group. He emphasized that in permitting the tax deductions arising from pension trust arrangements the government has gone into partnership with business, and he urged agents to make sure that no attempt is made to doublecross the government, for the penalties for so doing are very heavy.

Clarence Axman, editor "Eastern Underwriter," was a visitor and was introduced. B. N. Woodson, assistant manager Sales Research Bureau, Hartford, will wind up the series of lectures next Saturday with a talk on "Planning the Day's Work." G. L. Grimm, New England Mutual, chairman education committee which arranged the series, will preside.

Many College Retirement Plans

More than 200 American colleges and universities have established retirement plans for their staff members through Teachers Insurance & Annuity, the company reports. This represents about 90% of the colleges and universities that have adopted retirement plans funded through annuity contracts.

The annual report shows assets of \$141,719,760, an increase of \$11,522,028. In 1942, \$3,864,942 was distributed to policyholders and beneficiaries, and reserves were increased \$11,094,056.

Saratoga Springs Parley Features Compensation Topic

Company, Agency Leaders and N. Y. Department Men Confer

NEW YORK—About 50 home office executives, including six presidents and representatives of the New York insurance department will be on hand for the general agents and managers conference of the New York State Life Underwriters Association at Saratoga Springs, this turnout being a reflection of the keen interest in the important proposals for changes in agents' compensation which will be the big feature of the meeting.

The association has released no details of its proposals, though it is understood that the objective is to put compensation on a basis that will enable agencies to attract and retain high class career agents. An important step in this direction was the legislature's passage of a bill, now before the governor, which would permit companies greater latitude in operating within the expense limitation formula and would allow them to pay salaries even after an agent had been in business more than two years.

Committee's Thorough Study

Under the chairmanship of A. J. Johannsen, Northwestern Mutual, Brooklyn, the New York City Life Managers Association has had a committee of 11 working on the compensation problem since last fall. The committee has gone into the matter with the greatest thoroughness, meeting every week for half a day. The association unanimously approved its final report at a closed session March 5. Those who have seen the report say that it is a very forthright analysis of the difficulties encountered under the current basis and that it looks toward a major reorganization of the system of agent's compensation.

The report will be discussed on both days of the session. Mr. Johannsen will lead off by reading the report. Then there will be a talk by K. A. Luther, general agent Aetna Life, followed by Harry F. Gray, Connecticut Mutual, Osborne Betha, Penn Mutual, and C. L. McMillen, Northwestern Mutual, all of whom are members of the committee. W. J. Cameron, executive vice-president Home Life of New York, will also speak, as will T. J. Cullen, acting superintendent of insurance and Chairman Hampton of the senate insurance committee and Chairman Wright of the assembly insurance committee.

Holgar Johnson, president of the Institute of Life Insurance, will be present, as will Harry Wright, Equitable Society, Chicago, a member of the Sales Research Bureau's committee on compensation. It is expected that J. M. Holcombe, Jr., L. S. Morrison, and perhaps others of the Sales Research Bureau will be on hand.

In addition to those mentioned above, the New York City Life Managers Association committee include, P. A. Collins, Metropolitan; C. D. Connell, Provident Mutual; W. J. Dunsmore, Equitable Society; J. M. Eisendrath, Guardian of New York; T. W. Foley, State Mutual; and H. A. Schmidt, New England Mutual.

While expressing sympathy for the agent whose income is subject to violent fluctuations because of the straight commission method of compensation Acting Superintendent Cullen said that the rate of compensation per \$1,000 cannot be

(CONTINUED ON PAGE 13)

Guerlin Bill Heads List of N. Y. Acts Before Governor

Liberal Limits on Children—Extend Group—Simplify Premium Report

ALBANY—The senate having concurred in the amendments added by the assembly, the Guerlin nonforfeiture and valuation bill is now before Governor Dewey and there appears to be no doubt that he will approve it. He has 30 days from the legislature's adjournment on March 26 in which to act on bills submitted to him within 10 days prior to that date.

Other bills before the governor would: Liberalize the limits which companies may write on the lives of children between the ages of $3\frac{1}{2}$ and $9\frac{1}{2}$, provided that the insurance is effected by persons having an insurable interest in the child's life or on whom the child depends for support and provided that no company shall issue a policy for an amount which would bring the total coverage on the child above \$7,500 or one-third of the amount of life insurance on the person effecting the insurance, whichever figure is lower. The bill would not only exclude industrial insurance from this privilege and also life insurance written with monthly premiums which are normally collected on the debit plan, but would restrict the writing of the latter between ages $9\frac{1}{2}$ and $14\frac{1}{2}$ to limits below those now permitted.

Group Possibilities Broadened

Permit the writing of group insurance on trade associations so as to allow employers having fewer than the minimum number of employees to qualify for group insurance to obtain it through their trade organizations.

Simplify the reporting of the premium tax. Instead of reporting gross direct premiums less return premiums plus all reinsurance premiums less reinsurance premiums received from authorized companies the companies will enter only gross direct premiums less return premiums plus premiums received from unauthorized companies. The net result is the same but the proposed method would eliminate many needless computations.

Alter the unclaimed funds law so as to eliminate the present \$10 minimum applying to amounts which must be advertised unclaimed after seven years and then turned over to the state in the absence of claimants. This bill would not go into effect until July 1, 1944.

Paid in Equal Shares

Require a standard provision to the effect that in the absence of a specific direction to the contrary all policies payable to two or more beneficiaries would be paid in equal shares to each. This bill was sponsored by the surrogates' association. Another bill which the association sponsored, which would have placed policy loans made by banks on the same basis as those made by life companies, failed of passage. It would have barred beneficiaries from making claim against the estate on the ground that the estate should have repaid the loan.

Exempt agents compensated solely by commission from the operations of the unemployment insurance law. At present it must be shown that an agency contract is one of principal and independent contractor, and not employer-employee, on the basis of the contract and the actual situation. This bill would make the commission plan of compensa-

(CONTINUED ON PAGE 13)

Salute Pan-American Founders with "Apps"



A tribute was accorded the four founders and senior officials of Pan-American Life on the occasion of the company's 31st anniversary, which was celebrated in a quiet but impressive manner. Amid bouquets of American beauty roses was a large bundle of applications which was presented to Crawford H. Ellis, president; Dr. Edward G. Simmons, executive vice-president; Eugene J. McGivney, vice-president and general counsel and Dr. Marion Souchon, vice-president and medical director.

During March the field men were engaged in a traditional campaign in honor of President Ellis. This year the campaign was conducted to the theme of the "President's Streamliner," in which every producing agent qualified for a berth in the order of highest production.

In the picture are shown, Mr. Ellis,

Clarify Economics Society Social Security Position

At the meeting of the Insurance Economics Society in Chicago, Tuesday, a definite stand was taken at the close. C. O. Pauley, the president, who was re-elected, submitted a series of questions for consideration. The platform is as follows:

1. The cost of any extension of the social security act especially in the realm of temporary and total disability should be emphasized. Wage earners and people at large do not understand what the cost will be now and potentially in the future.

2. The society should not take any part pro or con in unemployment insurance, that is, whether it should be a federal or state function or both. It is not really insurance.

3. The society will favor free enterprise in all activities as a basic platform principle.

4. The society will not oppose the extension of the present social security act to include those groups that do not now come under it such as farmers, domestic servants, public employees, those employed by institutions not engaged in business for profit, etc.

5. The society will oppose the inclusion of temporary and permanent disability, hospitalization and medical care in any proposed enlargement of the act.

Committee to Formulate Plan

Executive Secretary H. R. Gordon took the position that the society should formulate some definite social security program to take care of any weaknesses in the present insurance system. He said, for instance, that there are very few facilities for permanent disability

seated, and behind him Dr. Simmons, Mr. McGivney and Dr. Souchon.

from accident and sickness. Some companies have a life income plan for accident disability but not sickness. The companies, he said, must meet this demand. Then again he said there should be some action taken toward providing protection for substandard risks. He suggested that a pool might be established for this purpose. It was voted to authorize President Pauley to appoint a committee to consider carefully a plan for the future. This committee will be composed not alone of insurance men but some outsiders that are interested in the subject. The benefits for permanent disability, it was stated, should be about what the government proposes to pay under the Roosevelt plan.

Gerhard Hirschfeld, actuary for the Insurance Economics Society, expressed the hope that a research council would be appointed to go into subjects that were pertinent, to get information that would be of value to the business in counteracting the inclusion of the government in the field.

May Change Society's Name

A suggestion was made that the title, "Insurance Economics Society" should be changed so that the word "insurance" should be eliminated. It was held that this was a handicap especially in making public statements. It left the impression that the insurance men were trying to save or protect their business and did not have a proper regard for the public.

All the officers were reelected. Paul Garey, Commercial Casualty and Metropolitan Casualty, was added to the executive committee of which W. T. Grant, president Business Men's Assurance, is chairman.

Mr. Grant opened the discussion as to the social security program that has been submitted to Congress. He called attention to the fact that what the government proposed was no contract. It might be changed at any time. He said that the changes might be so burdensome that the whole economic structure would be affected. He found in consultation with numerous representative people that they are in favor of the extension of benefits to those not covered under the act and they espoused the inclusion of temporary and permanent disability. He referred to Chairman Folsom, of the social security committee of the U. S. Chamber of Commerce, who is treasurer of the Eastman Kodak Company. He had a recent article in "Nation's Business" where he came out very strongly for the Roosevelt program. Mr. Grant said that he felt that the policy of the insurance business should be to persuade and not drive. That is, insurance should not simply be negative and obstructive. He said that he had found that a number of prominent insurance men become convinced that the present social security act was wise and it might be extended. The American Life Convention executive committee, for instance, turned down first the extension of the act to cover life insurance agents and yet now it has voted in favor of it.

POINTS BROUGHT OUT

It was brought out in the discussion that there are about 2,000,000 totally disabled people in this country making about $1\frac{1}{2}\%$ of the total population. George Manzelmann, president North American Accident, took the position that public assistance can well take care of these much better than the federal government. He advised that insurance men should talk with salaried people, not in the higher brackets but in the medium or lower, wage earners, etc., and see what was in their minds and whether they were willing to submit to constantly increased deductions from their pay-

(CONTINUED ON PAGE 12)

Saving for the Boy

When the insured died and this policy became a claim, the proceeds were held at interest for the benefit of the insured's grandson, a minor. That was ten years ago, and now the boy's mother writes:—

"Enclosed please find settlement statement providing final payment of accrued interest. I would like to thank you for your helpful cooperation in providing this income to my son. He has volunteered in the Naval Air Corps, and this fund, which is deposited to his credit, will help to furnish him with a start, financially, when the war is over.

"I feel that our insurance companies are due a world of credit, and that the prompt and careful manner in which they serve their clients could provide a splendid example for our government agencies to follow."

It is interesting that life insurance will provide a means of projecting money into that future which is to be ours after the war.

It is thus being used somewhat similarly to many a War Bond, bought today to give our government present use of the money, and to give the owner use of the saving after the war is over.

THE PENN MUTUAL LIFE INSURANCE CO.

WILLIAM H. KINGSLEY
Chairman of the Board

JOHN A. STEVENSON
President

INDEPENDENCE SQUARE, PHILADELPHIA

Conn. General Has Retirement Plan

Service Commission of 2% Adopted, Broad Group Benefits Provided

HARTFORD—A new compensation, retirement and insurance plan for its full time field force has been announced by Connecticut General Life, effective as soon as more than 90% of those eligible agree to participate.

Future service retirement income is provided by an 8% group annuity. Each year 4% of the agent's total commissions are paid in to the annuity and the company pays the other 4%. Retirement income for past service is provided by an allowance related to business written prior to March 1, 1943, and remaining in force after the agent reaches age 65. The allowance is at the rate of 60 cents per year per thousand of such business over 10 years old and never decreases below the amount payable when the agent reaches age 70.

Chief eligibility requirements are one full calendar year of service plus certain minimum first commission earnings. First and renewal commissions have been changed with a 2% service fee as long as the policy stays in force and as long as the agent is able to render necessary service. Upon reaching retirement age this 2% service fee automatically becomes an additional retirement allowance.

Alternatives Provided

Normal retirement age is 65 but an agent may retire earlier. The agent may also elect to receive a reduced retirement income which will continue after his death to be paid to a contingent annuitant. If the agent leaves the company he may elect to receive a cash refund equal to the contributions he has made together with compound interest at the rate of 2%, or he may leave his own contributions with the company and thereby receive retirement income equal to the amount such contributions will purchase at retirement age. Depending on length of service the agent may receive a share of the retirement income provided by the company's contribution.

Group Insurance Benefits

In addition to the retirement benefits for both past and future service the plan also provides group life insurance approximately equal to an agent's yearly earnings up to a maximum of \$7,500. This is made available at a cost to the agent of 60 cents per month per \$1,000 with the company paying the balance of the cost.

Group hospital and surgical benefits are also available to full time agents' families.

President Frazar B. Wilde points to the advantage of distributing earnings over a greater period of years. "The good agent is interested in a policyholder from a service standpoint as long as the contract exists. It is fair to recognize this by having a service allowance which follows the life of the policy. It is fair, as well, to recognize the greater probability that, during the first five years of the contract, there will be greater occasion for follow-up in service than for the balance of the period, whatever the length of the period may be. It is a fact that by paying more to the continuing agent we have allowed less to the man who for whatever reason finds himself unadapted to our business and therefore leaves it."

Honor Embry on Birthday

A "birthday campaign" in honor of A. M. Embry, manager of Equitable Society in Kansas City, of which Lindsey W. Austin, Topeka district manager, was general director, closed with 896 "apps" written. Mr. Embry entertained the qualifiers at a birthday party in Kansas City.

Record of 517 Weeks Consecutive Production



MORTON E. WRIGHT

North American Life of Chicago welcomes into the select membership of the North American Senior Legion, an organization of field men who have been actively in its service for 10 or more years, Morton E. Wright of Muncie, Ind. He entered the life business in 1928 with Federal Reserve Life of Kansas City. At the time he joined North American Life in 1933, he had 416 weeks production in the App-A-Week Club. As of Feb. 28, 1943, he has been in the North American ranks 517 weeks, which represents the number of weeks in its App-A-Week Club or a total consecutive app-a-week record of 953 weeks.

His specialty is the retirement income bond. His business shows a high premium per thousand average, a fine persistency record and a large average size policy.

Approved Societies Can Meet Demands for Benefits

In connection with the Beveridge report, the National Conference of Industrial Assurance Approved Societies of England, representing 10,000,000 insured persons or nearly one-half the insured population, has issued a memorandum in which it claims that extension of sickness benefits insurance and an increase in the rate of benefits could be given under the present Approved Societies system. The memorandum adds that in no circumstances could an industrial life office benefit by the surplus made by the Approved Societies nor could any such office or its agents influence the amount of sickness and disablement benefits or the period for which it is paid. The "London Review" states that it is argued that a system run on bureaucratic lines under the control of state officials would be an extremely unsatisfactory substitute for the more flexible machinery provided by the Approved Societies.

Status of Guertin Measures

Model nonforfeiture bills have been enacted into law in Indiana, Maine and New Hampshire; are awaiting gubernatorial action in Delaware, Michigan, New Jersey and New York; have passed one house in Wisconsin, Minnesota, New Mexico and Maryland, and are pending but have not been acted on in California, Massachusetts, Missouri, Nebraska. Bills lost out in Colorado, Tennessee and Wyoming.

A bill is scheduled for introduction in Illinois. Kentucky, Louisiana, Mississippi and Virginia held no session this year. Companies can use the Guertin basis without legislation in Alabama, Arkansas, Connecticut, Florida, Georgia, Iowa, Nevada, North and South Carolina, and Vermont.

Many Problems Eyed in Washington

N. A. L. U. Committee on Federal Legislation Is Watching Many Fronts

The questions to which the federal law and legislation committee of the National Association of Life Underwriters is currently giving attention were outlined by Chairman John A. Witherspoon at the mid-year meeting of the national council at Kansas City.

The committee again intends to present its recommendation to Congress for further amendment of Section 22 (b) of the Internal Revenue Code to permit the wife or children of the assured to take over business insurance policies and enjoy the same rights as were possessed by the original purchasing corporation.

The committee is interested in the technical aspects of pension trust regulations and with amendment of Section 811 (g) dealing with incidents of ownership-payor of premium regulations. The committee will ask Congress in the enactment of any withholding tax, that life insurance premiums be included with war bond purchases in computing a reasonable percentage of deduction from gross income, such credit to be taken at the time the taxpayer files his return. The committee believes that this credit should be based upon gross income. The committee will point out to Congress that the Treasury can make these credits a strong incentive to the filing of a return because the credits will not be available against tax withholding unless the taxpayer should file a return.

Old Exemption Is Gone

The committee has come to the conclusion that there is little chance of restoring the \$40,000 specific exemption of life insurance from estate tax or of obtaining a split of the present \$60,000 general exemption into \$30,000 for life insurance and \$30,000 for the general estate.

The committee has been encouraged to believe there is a fair chance of obtaining a reasonable amount of tax exemption on life insurance earmarked for payment of estate taxes. There is hope that the small business committee will adopt resolutions calling upon the ways and means committee and the Senate finance committee to follow the lead of Congressman Disney on this proposal. The small business committee is interested in the long range program of preserving small business for the future and a logical part of that program would be protection through life insurance of small businesses that might be destroyed by the death of owner on account of the high rate of estate taxes and the inability of the proprietors to provide for such taxes out of current income.

\$25,000 Salary Limitation

The committee felt that the \$25,000 salary limitation order would not serve the purpose of deterring inflation, would destroy individual initiative and would destroy life insurance values through surrender of policies or the marking of policies as fully paid for reduced amounts. Mr. Witherspoon remarked that the committee seemingly was on the right track because the Senate by a vote of 75 to 3 expressed its disapproval of the President's executive order.

As to the report of the National Resources Planning Board, the committee expresses the belief that no early action is likely to be taken by Congress. It will be studied and its attention by committees will be followed. The committee favors limitation of social security to social uses. The committee, Mr. Witherspoon recalled, has

Issues Presented for Insurance Body

U. S. Chamber of Commerce Asked to Champion Some Vital Measures

In connection with the annual meeting of the United States Chamber of Commerce at the Waldorf-Astoria hotel, New York City, starting April 27, the official organ has this to say about the insurance section:

"Support of pending legislation for compensation for injuries, death or detention of civilians on account of the war and for reimbursement of employers or insurance carriers for workmen's compensation paid for war injuries was authorized by the board on the motion of Carl N. Jacobs for the insurance department committee.

Resolutions Submitted

"Resolutions submitted by the committee for the annual meeting related to foreign trade, government competition, discriminatory state laws, and preservation of essential business activities. In connection with a declaration seeking government influence toward the removal of restrictions imposed by foreign countries on the operations of American insurance companies, President Johnston asked that a statement on the subject be prepared for submission by him to commissions of various Latin American countries with which he made contacts on his recent tour.

"A resolution on preservation of essential business activities asserted that the funds of insurance companies represent an asset of vast importance in the financing of the war, that any impairment of insurance services would be highly injurious to the nation, that premium payments are an anti-inflationary influence, and that insurance funds will serve to prevent a post-war public dependency burden of enormous proportions."

Norman Klages Advertising Head of Reliance Life

Reliance Life announces the appointment of Norman L. Klages as advertising manager to succeed R. C. Braun who resigned to move to California. Mr. Klages, a native of Pittsburgh, has been assistant advertising manager for 17 of the 22 years he has been with Reliance Life. He studied art at the Carnegie Institute of Technology and has developed an aptitude for advertising layout and design. He has directed the production of Reliance sales and advertising material which has won many awards in competition with other insurance advertising and in two years was placed among the 50 direct mail leaders by the Direct Mail Advertising Association.

Hirst Is Ives & Myrick Speaker

Albert Hirst, counsel of the New York State Life Underwriters Association and legal editor of The Diamond Life Bulletin, spoke at a special meeting of the Ives & Myrick agency of Mutual Life, New York City, one of a series held to review the company's new training course. Paul Orr, Jr., assistant to R. E. Myer, agency manager, gave a short sales talk on the new family income rider.

long favored the inclusion of the agent who is compensated by commission under the old age and survivor provisions of the social security act.

In the event any legislation providing for compulsory savings, spending tax, etc., is proposed, the committee will strive to obtain credit under it for premiums on insurance owned at the time of its enactment plus a reasonable credit for new purchases.

Attacks Convention Expense for Agents

Policyholder Declares the Outlay Put Acquisition Cost Above Limit

Companies operating in New York are very much interested in a suit brought against one of the mutual companies by a policyholder whose dividends have been decreased. He claimed that under the New York acquisition cost limitation rule the company had spent too much for conventions and field gatherings. The petitioner claimed that much of this expense could have been saved and there need not have been taken from the exchequer a considerable amount of money to pay for these gatherings. How this item enters into the acquisition cost remains to be seen. At least the suit is a troublesome one and indicates what might be in the offing as trouble for companies.

Chicago Production in March Booms Despite Income Tax

Life production in Chicago definitely was better in March, despite the huge tax bill paid March 15. The change was very welcome to agencies whose slump in February contributed to the large minus figure reported for national production. A number of Chicago agencies report written business was vastly improved in March and that they will show large gains if the paid for is normal. An agency executive of a large company which has several agencies in Chicago reported their aggregate written business last month would show about 50% increase over March, 1942. He said even after disregarding all cases over \$10,000 the increase was 25%. A prominent agency has almost \$3,000,000 of paid business so far this year secured from brokers alone, in addition to the agency volume. March production is well ahead.

Pension Trust Sales Lag

Most of the cases being sold are for \$2,000, \$3,000, perhaps \$5,000, yet there have been a number of \$50,000 cases, one for \$60,000, and another for \$300,000 that has been spread among a number of agencies.

Pension trust sales have lagged, not because of a dearth of prospects, but because an interpretation of the new U. S. revenue act by the Treasury counsel, Randolph Paul, has been long delayed. Life agents, lacking this interpretation are in the dark as to the Treasury's precise construction of the act in relation to deductions for sums expended to fund pension trusts, therefore cannot make precise recommendations to clients.

Can't Break Settlement Option Agreement

The provision of the New York personal property law that a destitute minor may receive money immediately from income of personal property that he was not supposed to receive until a later date does not entitle an infant to obtain an immediate allowance from interest accrued upon proceeds of a life policy left on deposit, the New York court of appeals has held in matter of Nires as general guardian. Here there was an agreement between the assured and insurer that the interest should be accumulated but not paid until the infants become 21 years of age. The widow stated that she is unable to support the infant beneficiaries, 13 and 16 years of age respectively.

The personal property law, according to the court, is applicable only when there is a direction for an accumulation

of income on a trust of personal property. It does not deal with agreements between insured and insurer concerning the relationship of debtor and creditor between them. Accumulation of income under a certificate of deposit or life insurance trust is not based on a direction by a grantor or testator but rather upon an obligation arising from contract between insured and insurer. The latter does not hold the proceeds of a policy as a trust fund and instead there is a debt owing to the beneficiaries.

More Gas for Life Than Fire Agents in Canada

TORONTO—In view of the fact that Canada's oil controller is giving life agents more lenient consideration than fire and casualty agents in applications for additional gasoline for essential driving, J. E. Proctor, chairman Canadian Federation of Insurance Agents, has sent out a bulletin suggesting that fire and casualty agents who write life insurance make their ap-

plications for special gasoline categories either as life agents, as other than life agents but not both.

Iowa Farmers Prosper

CEDAR RAPIDS, IA.—The Cedar Rapids "Gazette" survey of life agencies here shows that Iowa farmers are buying more life insurance and in greater volumes, buying it for every member of the family, paying off in full, policy loans, in some instances outstanding for years, and paying premiums as much as 10 years in advance.



THIRTY-EIGHTH ANNUAL STATEMENT

DECEMBER 31, 1942

ASSETS

Bonds	
U. S. Government	\$14,981,005.90
State, County and Municipal	13,003,644.17
Federal Land Bank	798,000.75
Rail Road	2,467,454.45
Public Utility	4,407,919.43
Industrial	4,248,988.70
Other Bonds	427,261.48
Total Bonds	\$ 40,334,274.88
Mortgage Loans	\$ 25,519,880.02
Cash	24,689,390.58
Stocks	6,850,003.97
Policy Loans and Premium Notes	5,768,373.47
Collateral Loans	133,966.21
Home Office Building	637,085.37
Other Real Estate	4,000,211.69
Real Estate Sold Under Contract	474,447.22
Deferred and Uncollected Premiums	2,346,325.27
Interest Due and Accrued	803,400.72
Other Assets	215,832.09
Total Assets	\$111,773,191.49

LIABILITIES

Policy Reserves	\$ 89,686,687.00
Additional Policy Owners' Funds	1,591,167.81
Premiums and Interest Paid in Advance	1,388,662.65
Claims Not Yet Completed or Reported	706,615.77
Reserved for Taxes	626,479.96
Miscellaneous Liabilities	838,890.47
Total Liabilities	\$ 94,838,503.66
Capital Stock	\$ 2,000,000.00
Investment Contingency Reserve	2,500,000.00
Special Reserve	1,000,000.00
Surplus	11,434,687.83
Surplus Protection to Policyholders	\$ 16,934,687.83
To Balance Resources	\$111,773,191.49

INSURANCE IN FORCE \$992,429,586.00

American National
INSURANCE COMPANY

GALVESTON, TEXAS
W. L. MOODY, Jr., President

Aetna Life Announces Its Retirement Old Age Income

The Aetna Life has announced an agents' retirement annuity plan and old age income plan, effective on April 1. Under the provisions of the retirement annuity plan, an agent who meets the eligibility requirements may purchase retirement annuities, payable as long as he lives after age 65, with the provision that if he dies before the annuity commences, all his premiums will be returned to his beneficiary plus 2% compound interest. Correspondingly, an agent may, at any time before annuity payments commence, elect to withdraw all of his premiums with 2% compound interest.

Under the old age income plan, an agent who meets the eligibility requirements will receive income benefits after age 65, based on the commissions he has received. The benefits under the old age plan will be paid regardless of whether the agent actually retires or continues to solicit business for the company, and the payments will not affect in any way his commissions or other income. The benefits are entirely independent of any annuity that an agent may purchase under the retirement annuity plan.

Retirement Annuity Plan

Other features of the retirement annuity plan include:

Eligibility. An agent may elect to purchase retirement annuities, commencing April 1 of any year, provided he meets all of the following requirements: (1) He is actively and wholly engaged as an insurance agent. (2) He does not receive a salary or general agency commissions from the Aetna Life affiliated companies. (3) He exclusively represents the Aetna Life and its affiliated companies to the extent of placing with them his business that is acceptable to them. (4) His total commissions from the Aetna Life during the preceding calendar year were at least \$1,200. (5) He has not attained age 65.

The retirement annuity normally commences on April 1 following the attainment of age 65. An agent may elect to have his retirement annuity commence at a reduced rate on the first of any month after he has attained age 55.

Agents Premium Payments

The agent may elect to pay any monthly premium, subject to a minimum of \$5 per month and a maximum in any year of 5% of his total commissions from the company during the preceding calendar year, but in no event may premiums exceed \$50 per month.

The following table illustrates the annual rate of annuity purchased by premiums of \$10 per month from the age indicated to the date the annuity commences:

Age When Premiums Commence	Men	Women
25	\$720.84	\$613.86
35	469.51	400.08
45	273.19	233.07
55	119.82	101.91

Example—If an agent pays \$15 per month from age 35 to the date his retirement annuity commences, the retirement annuity would be $1.5 \times \$469.51$, which equals \$704.27 per year in the case of a man, or $1.5 \times \$400.08$, which equals \$600.12 per year in the case of a woman.

The regular retirement annuity is paid as long as the agent lives and ceases at his death. However, two optional forms of retirement annuity are available.

Under the first form, a reduced retirement annuity is paid as long as the agent lives, but if he dies before receiving annuity payments equal to his premiums with 2% compound interest, the balance will be paid to his beneficiary. Under the second form, the agent receives a reduced annuity as long as he lives with the provision that all or a part

of this reduced annuity will be continued after his death during the lifetime of a person named by him.

Aetna Life hopes that this plan will be permanent, but necessarily reserves the right to change, suspend, or discontinue it at any time. It is expected that such action would be necessary in the event that agents become covered under the social security act or any similar government plan. However, no change, suspension, or discontinuance will adversely affect the retirement annuity or other benefits already purchased by the agent's premiums.

Old Age Income Plan

Other features of the old age income plan include:

Benefits under this plan apply only to commissions received by an agent while he meets the first three eligibility requirements listed under the retirement annuity plan.

Benefits commence on April 1 following attainment of age 65 for agents now under age 65 and on April 1, 1943, for agents now age 65 or over.

For each year in the period of continuous eligibility immediately preceding the year in which benefits commence, up to a maximum of 30 years, the annual rate of benefit will be computed as follows: 2% of renewal commissions on ordinary life and annuity business, plus 1% of commissions on accident and health business and on group business.

Example Is Shown

Example: If, in 1942, an agent's renewal commissions on ordinary business were \$1,000 and his total commissions on accident and health business and group business were \$500, his annual benefit with respect to his 1942 commissions would be as follows: 2% of \$1,000, \$20; 1% of \$500, \$5; total, \$25. If this agent's commissions were the same as above for 30 years, his total annual benefit under this plan would be $30 \times \$25$, which equals \$750 per year, payable at \$62.50 per month.

The benefit for any year prior to 1933 will be based on the average of the agent's commissions for the 10-year period 1933 to 1942, inclusive.

The maximum annual benefit allowed by the formula for commissions received in any one year will be \$100.

If the annual benefit would be less than \$10 for any one year, no benefit will be allowed with respect to that year. If the total annual benefit for all years would be less than \$120, no benefit will be payable under the plan to the agent.

Parkinson Scores Executive Law as Very Dangerous

President T. I. Parkinson of Equitable Society addressed the New York Bond Club this week. He said that he believes in social security and life men are selling security and increasing it. Life people, he said, welcome the advent of new agencies, even those of government, to provide security for those who cannot provide it for themselves and who do not have any relationship to others on whom its cost can be saddled. But, he said, "We shall be alert and it will be our duty to be expressive to see that the existing voluntary institutions are not impaired and to see also that the plans for something else do not become fantastic and unsound."

He said there is no use talking about freedom of speech and freedom of religion if a country does not give freedom to the individual and freedom to resort to an independent court to sustain his freedom. He said that he was

sorry that in these days when all energies should be devoted to the winning of the war the fundamental issue of government and liberty has been raised but he added, "It has been raised and having been raised it must be disposed of and it is being happily disposed of by the action of our Congress."

Executive Directive

He referred to the executive directive wherein the President undertook to set aside Congress and to establish executive law. He said it was not accidental. The executive directive undertook to make the law and to put it beyond question in any court. Congress has taken the time and adopted extraordinary methods to strike down this threat to representative government.

New York Law Invalidated

He referred to the New York legislature which under misguided leadership enacted in 1933 a law giving the insurance superintendent power to set aside life insurance laws regulating the relationship of the insurer to the insured. The court of appeals said it was unconstitutional and invalid.

In emphasizing the undesirability of executive law he said these administrative officers are no wiser than the legislative officers. He expressed the hope that with more real and honest cooperative help from those in the administration of the federal government who know the facts and ought to be prepared to make recommendations, the tax muddle might be settled.

South Dakota Men Announce Program

The program for the meeting of the South Dakota Association of Life Underwriters at Sioux Falls on Monday is announced. During the forenoon the state association officers and directors will meet with National President Grant Taggart. There will be a luncheon meeting and a report on the mid-year gathering will be made by C. W. Poole, Equitable Society, Aberdeen, state president.

Mr. Poole will preside at the afternoon session. The welcome will be given by Mayor Witfield and the response by A. W. Palm, State Farm Life, Huron. Rabbi Karl Richter will give a talk on "Europe—Today and Tomorrow." W. J. Lucas, New York Life, Mitchell, S. D., will speak on writing farmers under today's market. Mr. Taggart will give the chief address and following his talk there will be a round table with him on "Problems Confronting the Underwriter as Viewed by the National Association."

Detroit Dinner for Forbes, Berry

More than 100 insurance people were present at a banquet in Detroit in honor of the new insurance commissioner, David A. Forbes, the outgoing commissioner, E. P. Berry and H. B. Corell, first deputy. The banquet was given under the auspices of the Affiliated Insurance Interests of Michigan. W. G. Curtis, president of National Casualty, was general chairman and Walter E. Otto, president Michigan Mutual Liability, was toastmaster.



WE PROUDLY SALUTE the members of these Mutual Benefit

agencies who by superior achievement in 1942 brought honor to themselves and to their Company • The New Hampshire-Vermont agency, William E. Johnson Jr., General Agent, which has won for the third time the President's Plaque—the Company's highest agency honor • And the following agencies which have won the Company's Awards for best all-round performance • Group A—Los Angeles agency, Murrell Brothers, General Agents • Group B—Cleveland agency, F. N. Winkler, C.L.U., General Agent • Group C—Flint agency, H. Bruce Palmer, General Agent • Group D—Columbia agency, Karl Thompson, General Agent

The Mutual Benefit Life

INSURANCE COMPANY • NEWARK, NEW JERSEY

Jottings from Agents' Mid-Year Gathering

C. Vivian Anderson, Provident Mutual, Cincinnati, past president of the National Association of Life Underwriters, perpetrated a successful practical joke at the mid-year meeting of the national council of the N.A.L.U. at Kansas City. Mr. Anderson came across a carton of matches that were distributed at the N.A.L.U. convention at Cincinnati in 1941 in behalf of H. A. Hedges, Equitable Life of Iowa, Kansas City, who was then a candidate for secretary and was elected. Mr. Anderson passed these match books around among the conventioners at Kansas City the other day and the rumor spread that Mr. Hedges who is now vice-president, had decided rather than to move up into the presidency, to seek election as secretary. Quite a number were completely taken in by the hoax and the greatest consternation prevailed around the lobby for several hours until it was established that Mr. Anderson was the evil spirit.

Col. D. Gordon Hunter, vice-president Phoenix Mutual Life, went to Kansas City from Fort Leavenworth where he is enrolled in the general staff school for certain civilian leaders. Walter Hill, president of Retail Credit Company, is also attending the school.

A number of **company luncheons** were held at Kansas City during the convention. Julian S. Myrick, second vice-president Mutual Life, presided at a luncheon for his company's group. Eugene Hays, director of agencies of New England Mutual, gave a luncheon. Frank See of St. Louis and Ed Mura of Omaha had a number of qualified agents on hand.

W. T. Grant, president of Business Men's Assurance, was accompanied to one of the cocktail parties by his son, Lieut. W. D. Grant, who has been aboard a destroyer and is just now being transferred to Lakehurst, N. J.

Ralph Kastner, associate general counsel of the American Life Convention, who has been working in close conjunction with the N.A.L.U. on several projects, attended the convention.

Considerable literature was distributed in favor of **Roy Ray Roberts**, State Mutual, Los Angeles, who is a candidate for secretary. H. K. Cassidy, Pacific Mutual, San Francisco, is the chairman of the Roberts committee. W. W. Harts-horn, Metropolitan Life, Hartford, is the only other candidate for secretary for whom a formal campaign has been launched.

Taylor S. Abernathy, vice-president First National Bank of Kansas City, was the official host at a cocktail party which his bank gave for the general agents and managers of Kansas City and home office executives. All the other banks at Kansas City were represented at that hour.

The credentials committee consisted of Martin L. Seltzer, Kansas City Life, Des Moines, chairman; Alfred C. Duckett, Northwestern Mutual, Los Angeles; Marshall Roberts, Reliance Life, Louisville; R. M. Stevenson, Berkshire Life, Pittsburgh, and John A. Monroe, Jr., Southland Life, Dallas.

The elections committee consisted of Frank Vesser, Reliance Life, St. Louis, chairman; W. K. Niemann, Bankers Life of Iowa, Des Moines; Vernon Krahle, Northwestern National Life, Cleveland; E. F. Webb, Great Southern Life, Baton Rouge, La.; W. S. Cobb, Jr., Connecticut Mutual, Boston; F. A. Schnell, Penn Mutual, Peoria; D. F. Moore, Union Central, Seattle, and W. J. Stoessel, National Life, Los Angeles.

H. A. Hedges, Equitable Life of Iowa, Kansas City, the N.A.L.U. vice-president, made a great hit in introducing various dignitaries at the banquet Friday evening. He got off a number of friendly jibes at those who were being presented and furnished much amusement. He also handled part of the introductions at the banquet the previous evening, presenting the past N.A.L.U. presidents, officers, trustees and headquarters men. The past presidents on hand included O. Sam Cummings, Kansas City Life, Dallas; Julian S. Myrick, second vice-president Mutual Life; Paul F. Clark, vice-president John Hancock Mutual; J. Stanley Edwards, Aetna Life, Denver; Lester O. Schriver, Aetna Life, Peoria; C. V. Anderson, Provident Mutual, Cincinnati, and John A.

Witherspoon, John Hancock Mutual, Nashville.

Jack McInnes, city manager of Kansas City Life, president of the Kansas City General Agents & Managers Association, presided at the banquet Thursday evening. He presented a number of the local leaders who were given a great hand because of the excellence of the convention. They included:

W. L. McPherrin, Kansas City Life, president Life Underwriters Association; Paul French, New York Life, vice-president general agents association; Glenn Baker, Prudential; John E. Miller, Columbian National, chairman reservations; Wayne Clover, Penn Mutual, chairman invitations, and J. Frank Trot-

ter, Mutual Life, chairman of the sales congress and coordinator of the various committees.

The St. Louis group in acting as hosts at the cocktail party Thursday evening was seeking to gain sentiment in favor of holding the annual convention in St. Louis this fall and those attending were decorated with a flower and a St. Louis badge. Apparently they did not know beforehand that the trustees and not the national council were to make the decision. However, the St. Louisans felt that since the convention was being held in their state they should participate in the entertainment. The invitation for St. Louis was presented by Dick Oliver, assistant vice-president New York Life.

Others from that city who constituted the delegation were William Cusick, New York Life, president St. Louis Life Underwriters; Frank Vesser, Reliance Life, first vice-president; George Means, Metropolitan Life; Glen McTaggart, Prudential; Lester Becker, Lincoln National Life, national committeeman, and Adam Rosenthal, Acacia Mutual, president St. Louis General Agents & Managers Association.

Superintendent Scheuffer, who was to have addressed the sales congress Saturday, was unable to appear because of the death at Wichita of his brother, E. E. Scheuffer, who was official trainer for the National Semipro Baseball Congress.

Marshall Holcombe, manager of the

The Gluyas Williams' illustration is from our current series of advertisements in The Saturday Evening Post, Time, Newsweek, and the alumni magazines of 23 leading colleges and universities.



ALL the men in Gil Turner's car pool eat on the run once a week. But they're better neighbors now, for having to depend upon each other.

The adjustments made by families on the home front ... the things they have to do without ... are making it financially possible for many people to continue to buy War Bonds and Life Insurance in spite of increased taxation.

The Company's advertising campaign, in a strong list of publications, re-emphasizes this fact regularly and offers practical help to fieldmen at the same time. For it counteracts the "fear of the future" that often hinders a sale, by pointing out that, in tougher times when premiums are hard to meet, the liberal New England Mutual contract helps to finance itself!

Because dividends begin at the end of the first year. Cash values begin at the end of the second year. A premium loan is available beginning with the second annual premium ... and there are unusual conversion privileges.

New England Mutual Life Insurance Company of Boston

George Willard Smith, President

Agencies in Principal Cities Coast to Coast

THE FIRST MUTUAL LIFE INSURANCE COMPANY CHARTERED IN AMERICA — 1835



GLUYAS WILLIAMS

Sales Research Bureau, was conspicuous because he was wearing a pair of white gloves. He had to explain to everyone that he was afflicted with poison oak and was wearing the gloves for protection of those who wanted to shake his hand.

Law Regulating Industrial Business in Mich. Revised

LANSING, MICH.—The new Michigan act regulating industrial life insurance sets up standard requirements for this class of business similar in many ways to those provided for ordinary life, including grace and contestability periods and provision for cash value after five years. Beneficiary provisions are for either a named beneficiary or a facility of payment clause. Privilege to convert to ordinary life is a mandatory requirement.

Industrial contracts are contestable for two years and no settlement may be made for less than the face value of the policy except for death through military or naval service or through an airplane flight other than as a fare-paying passenger, and then only if such exclusions are contained in the policy. Any reduced settlement shall not be less than the reserve on the policy.

Policies may be reinstated at any time within two years. No provision shall be made restricting the actionable period to less than six years. Terms of the act are not applicable to disability or accidental death contracts. Until effective date of the Guertin act, a minimum of valuation of industrial business is set up.

The statute for valuation of policies has been amended in its application to Canadian companies. As they make Michigan their port of entry, the statute permits the state to collect as a valuation fee 1 cent per \$1,000 of insurance in force. The Canadian carriers have paid this fee on the basis of their entire business, but the check made by the Michigan department has been only on United States business. The change in the law equitably provides that in the future the fee shall be collected only on United States business, thus saving the Canadian carriers about \$29,000 annually in valuation charges.

Policyholder Gets Award on Assessment Policy

R. E. Acree of Mayfield, Ky., was awarded \$2,331 against National Life of Des Moines in the district court in the latter city last week. He had asked for either \$3,141 or the return of \$2,033 in premiums he had paid on a \$3,500 policy since 1917. He contended that when he took out the insurance 25 years ago he was promised that the annual premium would never exceed \$84.80. He charged that the company broke the contract when it demanded a premium in excess of that amount in 1940. Evidence showed that the company in which he took the policy out was the old National Life Association, an assessment company, which changed to a legal reserve company in 1929 and adopted its present name and old line rates.

Limit Okla. Receiver Actions

OKLAHOMA CITY—The Oklahoma supreme court, in Oklahoma Benefit Life Association vs. J. W. Bird, district judge, held that only the insurance commissioner is authorized to ask for appointment of a receiver for an insurance company in Oklahoma and that an Oklahoma court has no jurisdiction to consider a proposed renewal contract. It places this authority exclusively with the insurance commissioner.

It also holds that policyholders are not permitted to bring action to remove an officer of a mutual and that that right rests wholly with the commissioner.

Brokerage Business More Desirable

Agencies Showing More Interest in Submissions from General Producers

Brokerage business has become much more desirable to most agencies and to companies with the growth of the problem of recruiting and training agents during the war. Some agencies have almost quit trying to secure new full time agents because they have had one after another taken by selective service, enlistment or the superior attractions of war plant jobs, and do not believe in hiring the lame and halt.

For such agencies the problem has presented two inescapable conclusions, the general agent or manager must do much more personal business, and he and his supervisor must develop more brokerage business in order to maintain a volume that will be satisfactory to his company.

General Business Different

By brokerage is meant not so much the surplus lines secured from other full time life agents of competing companies, but the general insurance producers. In the past many companies have been not over enthusiastic about submissions from such insurance men. The principal reason, probably, was that a general insurance broker deals in coverages which mainly are on an annual basis and may, to suit his convenience and that of the insured, transfer the coverage from one company to another. If he and the issuing company have a misunderstanding or he gets a better rate, he takes his business elsewhere. The insured does not suffer as does the life insured at having his business switched.

Life companies in the past thought it

was necessary to have a minimum level of agency business upon which they could depend. The brokerage volume, being controlled by the broker, might conceivably disappear over night. Then, too, life companies in the past felt the majority of business which brokers would submit might be questionable in character. They had observed that it was the habit in general insurance to seek competitive rates and to hawk a line down the street. A number of companies imposed the inflexible rule that no submissions would be considered from brokers. Much of such business undoubtedly has found its way into these companies via "pipe-line."

There probably is no experience to indicate that life cases sold by general insurance salesmen who are making insurance their career, have studied the coverages and give a sincere, conscientious service to insured, need be any worse than that which is agency produced. The only difference perhaps would arise from a lack of understanding by brokers of underwriting requirements which could easily be corrected by a simple course of instruction in school or individually by supervisors.

Agencies in such essentially brokerage cities as New York, Chicago, St. Louis and San Francisco, if they do not maintain their agency personnel must depend more and more upon the brokers. The subject, it is safe to say, is much more closely studied than in the past. Some general agents have gone over their lists of brokerage contacts and made full time agency contracts with selected brokers, who have turned out quite well in the life field. Of course they do not devote all of their time to life production, but this is no time to be critical.

A medium size Chicago agency in the first three months this year has paid for almost \$3,000,000 of brokerage business alone. This is business submitted by competing life men and also by general insurance salesmen. The agency's full time staff has been wrecked by war demands and brokerage was the only solution.

Continued Sales Needed to Maintain Public Morale

DALLAS—Arthur Coburn, vice-president of Southwestern Life, in addressing an audience of 125 in the opening session of the wartime selling school of the Dallas Association of Life Underwriters, declared that morale on the home front cannot be maintained without the continued sales of life insurance.

Charles A. Fair, Travelers, will conduct the second class April 2.

Mr. Coburn asserted that as food goes up in price, people need more life insurance. He advised them never to suggest to their prospects that life insurance will retard inflation.

"We have inflation now, and may have it to a greater degree," he said. "Inflation is a condition calling for a larger amount of life insurance to do a given job." He recommended a black-log of war bonds, savings accounts and life insurance ownership for the post war deflation period to keep families together that might not otherwise be kept intact. He said there is a greatly enhanced demand for income retirement bonds. He also said the business is now attracting a better class of men to its selling forces, and that agency-wise the business is doing well.

An important executive of another large company which always has been strongly opposed to brokerage business stated this is an era of change and it seemed likely many of the limitations against brokerage would have to be dropped.

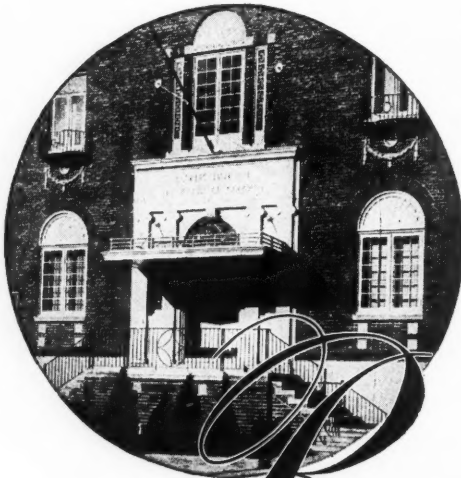
In Chicago it is apparent the agencies which have done the best so far this year are those which for a number of years have been doing everything possible to build up brokerage business. This has required not only competitive contracts and rates, but much personal contact of a full-time brokerage manager with the men on the street, ready willingness to help them prepare and close cases and a pleasant personality.

Pass the Ammunition

Our job at the Home Office is to make sure our agents on the "firing line" have "what it takes" to guarantee success. In addition to the regular "run of the mine" policies, they are equipped with modern, streamline, salable contracts designed to meet the needs of present day conditions.

A constant flow of new, improved sales material guarantees a continuance of enthusiasm which is so essential to the success of all field men.

A close personal relationship, an understanding of the problems of the men in the field, together with a liberal commission scale, will make this fighting year of 1943 even more profitable for Bankers National agents.



Bankers

Ralph R. Lounsbury, President
W. J. Sieger, V. P. & Supt. of Agencies

NATIONAL LIFE

Insurance Company Montclair, N. J.

Gives Advice to Agents on Social Security Stand

Northwestern Mutual Life has got out a message to its field men suggesting the proper attitude of life insurance people to take towards proposed expansion of social security.

"Let us tell the world what we can do: let us say what we believe about efforts to have the nation do what we believe we can do better. But let us not fall into the error of peevish and prejudicial criticism and complaint on every proposal which bears any relationship to our business," Northwestern Mutual concludes.

Northwestern Mutual observes that the public is not likely to have the same point of view as those in the insurance business and the actions and reactions of insurance people will always be discounted about 50 percent for bias and frequently distorted about 50 percent more, partly to accord with somebody else's bias and partly to make more startling news.

Insurance people, according to Northwestern Mutual, should avoid any attitude which results from a point of view so narrowly confined to the outlook of their particular business that they are blinded to the thinking which prompts proposals of this kind. "We should recognize that developments like this are part of a whole series of plans and ideas for post war and even pre-post war reconstruction which will engage our thinkers and legislators from here on in." Insurance representatives should avoid giving the impression that whatever the ills which have given rise to the present maladjusted situation, the insurance field of operations has been a thing apart and that any proposals which touch upon it in any way are infringing upon sacred and inviolable grounds.

All Industry Broadcast Apr. 28

NEW YORK—The first broadcast ever presented on behalf of the entire insurance industry to be given April 28, will tell the public how the insurance business is helping to make earlier victory possible. It will originate at the luncheon meeting of the insurance division of the U. S. Chamber of Commerce here. Through a radio show the broadcast will endeavor to describe the industry's war contributions and services and several outstanding leaders will speak on various phases of the war work of insurance.

These will include the sale of war bonds by insurance producing forces, the purchase of billions of government bonds by the companies; safeguarding the lives of the fighting forces against fires and accidents; alleviating the economic status of families whose breadwinners give their lives for their country; minimizing the likelihood of interruption of production of war materials because of fire or accident and making possible the operation of the War Damage Corporation on an economical basis.

Plans for the broadcast are being directed by James L. Madden, vice-president of Metropolitan Life, and chairman of the insurance committee of the U. S. chamber. He is being assisted by the Association of Casualty & Surety Executives, Institute of Life Insurance and National Board of Fire Underwriters. The broadcast will be from 1:45 to 2:15 p.m. over the Blue Network.

Give Pointers on Women Agents

NEW YORK—Women make successful agents when given proper training and supervision and their earnings, average size policy and persistency of busi-

ness will generally be higher than for the average male agent, it was asserted in a panel discussion sponsored by the League of Life Insurance Women of New York.

Recruiting for women is most successful when a person who is capable of earning at least \$5,000 a year, not under 28 years old, is kept in mind as a standard. Lack of adequate training and supervision will show up more quickly among women than men.

Women like to be considered an integral part of an agency and want to feel that they have a definite place in its results.

Women want to have the same opportunities as men in so far as prospective earnings are concerned and they are attracted to life insurance through the opportunity to perform a social service. The fact that they may devote all of their active lives to it appeals to them.

Mildred Stone, Mutual Benefit, Newark, was chairman.

Prudential Is Now Completely Mutual

NEW YORK—As the result of action taken at a special directors' meeting, Prudential is now a completely mutual company, consummating a change which has been in process since 1911. The company for all practical purposes has been on a mutual basis for many years. It was necessary to acquire the last remaining shares of stock of the Blanchard estate, after which legislation was enacted to enable the company to amend its charter in a manner appropriate to the objects of a mutual life company.

President Franklin D'Olier pointed out in connection with the directors' action that the new setup insures that no dispute can arise, as it has in the past, between the company and its

stockholders as to the relative rights of stockholders and policyholders. He said another important feature of the recent legislation is the continuance in office of the three state directors appointed by the state chancellor and representing the public. The directors also elected Dr. E. W. Sprague of Newark, president Northern New Jersey Academy of Medicine, and A. W. Page of New York City, vice-president American Telephone & Telegraph Co., to the board.

More Funds for Wis. Department

MADISON, WIS.—The finance committee of the legislature has recommended an appropriation of \$190,000 for the insurance department for the 1943-45 biennium. This is an increase of \$5,000 over the amount recommended by Governor Goodland in his budget message.

Here's a prospect
who will
help you with the sale

He is the man who already has discovered life insurance. He has at least one and often several policies. He has an active interest in more life insurance: he is the father of children. He is as eager to take more life insurance as you are to sell it. Find him and collaborate with him on a life insurance sale.

John Hancock
MUTUAL
LIFE INSURANCE COMPANY
OF BOSTON, MASSACHUSETTS
GUY W. COX, President

Social Security's Effect on National Economy Viewed

COLUMBUS, O.—In a comprehensive review of the Beveridge plan and its cousin, the National Resources Planning Board's recommendations in the United States, Claris Adams, president Ohio State Life, told the Kit Kat Club here that a broad extension of the social security act should be held up until after the war. One of the main problems involved is the cost of social insurance. "Social projects are not self-propelling. They are driven by borrowed economic power. An overload stalls the machine upon which, in a capitalistic system at least, we have built our entire social and economic structure," Mr. Adams pointed out.

It is logical to extend the social security act to cover the gainfully employed not now under its provisions, Mr. Adams said. Proposals to extend unemployment compensation, adding health insurance, reducing the retirement age of females, increasing allowances for dependent widows and children, expanding the public assistance program, and socialized medicine raise a number of problems.

Cost Would Be High

Mr. Adams estimated that the cost of the extended social security program would be at least eight to 10 billion a year. Although Secretary of Labor Perkins has estimated a 10% payroll tax would cover the cost for the first 10 years, Mr. Adams predicted it would come nearer 20%.

The suggested plan of granting a flat \$20 a month pensions to retired persons and widows deserves careful consideration when "we can judge fairly just what America reasonably can afford," Mr. Adams said. Such a plan would cost more at first but it eliminates the illusory reserve in favor of a frankly planned pay as you go system.

The present social security act has been of positive business benefit to his company and probably to most companies, Mr. Adams commented. It has made men retirement income conscious and more people in modest income brackets have bought life insurance because they were not satisfied with the minimum subsistence level.

In addition to price, there are other factors to consider in proposed social security extension. Political health insurance would be a long step toward a program of socialized medicine which would put the palsied touch of mediocrity upon a great profession in whose field progress and incentive is of supreme importance.

There are few fields where political operation could lead to greater extravagance, injustice and dissatisfaction. "Precinct committeemen as claim adjusters and doctors chosen on the basis of party service, with the power which would be theirs to favor friends and to punish foes, suggest all the possibilities of a racket which could well become a national scandal. It would extend the tentacles of a national bureaucracy into every village and hamlet. It would increase immeasurably its influence and its power."

Must Weigh Effect

The effect of increased social security taxes on business enterprises must be carefully weighed, Mr. Adams warned. "If an extra 10% labor charge enters into every stage from field to factory to consumer and the sum thereof is added to the final price of every product, the effect on our standard of living would be considerable." The tax would fall unevenly and would put labor as a commodity at a distinct disadvantage.

The cost of production will be an important factor in post-war world markets which would stimulate demands for high tariffs which in turn, according to many, is a cause of war.

Care also must be taken not to discourage venture capital which is "bred of incentive and by no other sire." Under both the U. S. and Beveridge plans the cost of expanded social security would constitute a heavy and direct charge upon production of the very wealth that must be ample before it can be redistributed effectively. In view of the unpredictable future, prudence counsels caution. For that reason, Mr. Adams held, consideration of an advanced social security program should wait until the country's future is clarified.

a bill granting an additional 120 day period in which members of the armed forces may obtain National Service Life Insurance without submitting to physical examination.

War department representatives said many soldiers who have been in the army for a year or more have not been fully informed on their rights to the policies.

Brig. Gen. Frank T. Hines, head of the Veterans' Administration, opposed the bill. He said it would let the bars down for many soldiers who would not be able to pass a physical examination. Senator Clark of Missouri said he believed any man able to pass induction examinations should be permitted to get insurance without further physical tests.

Change Mich. Retaliatory Law

The Michigan legislature, before adjournment, passed an amendment revising the retaliatory law. It provides that retaliatory taxes shall be computed by totals rather than by individual items. This is intended to produce a saving for Michigan companies. For instance, one state might have a higher premium tax than Michigan but Michigan might have a higher agent's license fee. In the past Michigan companies would have to pay a retaliatory tax in the other state on account of the

agent's license fee while under the new law the license fees and premium taxes would be lumped in determining whether there shall be retaliation.

The Michigan legislature also amended the insurance laws to enable Michigan companies to function more easily as corporations. Eight new sections are added to the insurance law. They involve procedures for obtaining proxies, etc.

Conn. Mutual Men on Circuit

A variety of new selling helps are to be presented to Connecticut Mutual agents by members of the agency department staff on their field visits this spring.

Virtually every one of the 70 general agencies will receive a two or three-day visit by one of these men for the purpose of presenting new material and to work out a training and refresher program fitted to the requirements and personnel of each agency.

Those making these visits are: Vincent B. Coffin, vice president and superintendent of agencies; Edward C. Andersen, educational director; Paul L. Guibord, agency assistant; Frederick O. Lyter, assistant superintendent of agencies; Richard E. Pille, agency assistant; G. F. B. Smith, assistant vice president; R. W. Stockton, agency department.

Great Falls Body Is Doing Splendid Work

GREAT FALLS, MONT.—The Great Falls Life Underwriters Association recently inaugurated a series of Saturday afternoon study clinics, to be held for eight weeks. The object is to equip the members to do a better job of selling life insurance under wartime conditions.

At the first meeting, 11 members enrolled for the study course. W. H. Tennyson, district manager for the Mutual Benefit Life in Montana, is study clinic chairman. The course opened with discussion by him of the place of life insurance in a war economy. It is the job of life insurance, he pointed out, to mobilize dollars for the war effort. Life insurance dollars are fighting dollars, feeding the arsenal of democracy. They are security dollars too, guaranteeing the preservation of the American home and the American way of life.

The president of the Great Falls association is W. G. Preston, the only C. L. U. in the state who since the death of his father has taken over the management of the Preston Agency of the Northwestern National. Under his leadership, the association is sponsoring a series of newspaper advertisements in both newspapers, concurrently with the study course, to demonstrate how life insurance dollars and life insurance men are working for victory, with emphasis on the fact that every time a policyowner pays a life insurance premium, for old or for new policies, he is helping to strengthen the American economic front.

Convention Dates

April 8-9, National Association of Insurance Commissioners, executive committee, Columbus, O., Deshler-Wallick Hotel.

April 27-29, U. S. Chamber of Commerce, annual meeting New York City, Waldorf-Astoria Hotel. Insurance Section April 28.

April 26-27, North Central Round Table Life Advertisers Association, Chicago, Edgewater Beach Hotel.

May 12-13, Association of Life Insurance Counsel, New York City, Waldorf-Astoria Hotel.

May 20-21, Home Office Life Underwriters Association, New York City, Hotel Pennsylvania.

May 26-27, Bureau of Personal Accident & Health Underwriters, New York City.

May 26, Industrial Insurers Conference, Atlanta, Henry Grady Hotel.

June 3-4, Health & Accident Underwriters Conference, Chicago, Edgewater Beach Hotel.

June 6-7, National Association of Insurance Commissioners, Boston, Statler Hotel.

June 10-11, National Association of Accident & Health Underwriters, Pittsburgh, Roosevelt Hotel.

June 15-16, Southern Round Table, Life Advertisers Association, Nashville, Tenn.

Sept. 13-16, National Association of Life Underwriters, Pittsburgh, William Penn Hotel.

Sept. 28-30, National Fraternal Congress, Cleveland, Hotel Cleveland.

Oct. 7-8, Actuarial Society of America, New York City, Waldorf-Astoria Hotel.

Oct. 15-16, Institute of Home Office Underwriters, Chicago, Edgewater Beach Hotel.

Bill on National Service Cover

A senate finance sub-committee reported favorably to the full committee

FLASH
TO THE MEN IN THE FIELD

**"The Women...
God Bless 'em!"**

James Stephens said it: *"Women are wiser than men because they know less and understand more."*

Women are playing a more and more important part in life insurance. Every week Commonwealth is recruiting women underwriters. In Memphis, Tennessee, we have a district composed entirely of women. Our agent offices throughout our territory are taking on an atmosphere of refinement and culture heretofore quite unknown.

But the important thing is that the women are getting the job done. They are "coming through" in grand style and making good. When the final story of this war is written, the part the women have played in the preservation of our business and its services will be one of the most glorious chapters in the annals of life insurance.

WHERE QUALITY MEN ARE BUILDING QUALITY VOLUME

Commonwealth
Life

MORTON BOYD, PRESIDENT

HOME OFFICE LOUISVILLE

Annuities Favored for Pension Trusts

Irvin Bendiner Opposes Inclusion of Life Insurance Benefits in Such Contracts

PHILADELPHIA—General pension trusts for employees should be funded through use of annuity contracts issued by insurance companies, Irvin Bendiner, New York Life, told the Philadelphia Life Insurance & Trust Council.

Annuity contracts, Mr. Bendiner said, represent ample fulfillment of the employer's moral responsibility. He feels that life insurance benefits should not be included in a pension program, primarily because there is no social responsibility on the part of management to provide for the dependents of employees on a fixed formula basis. Many firms have group insurance and social security provides a basic floor of benefits. The pension plan, through the use of annuities, will make available the cash values of such contracts, but in the main, he said, the problem of maintaining dependents should rest on the employee, who

should arrange for their care out of wages.

He analyzed the income tax provisions in which under certain conditions businesses establishing pension or bonus plans are allowed as fully deductible amounts of as much as 25% of the payroll of employees included in the plan. The government recognizes, he said, that private pension plans will provide social security for those ineligible for the government plan, and will supplement the benefits under the government plan for those who are eligible.

"Mere expediency in obtaining contracts with insurance, or the relatively slight increase in additional cost should not mislead the underwriter in advocating insurance rather than annuities, without at least bringing to the attention of the client the various difficulties or problems which are involved," Mr. Bendiner said.

"The supplemental cost of insurance benefits, no matter how modest, is not, in my opinion, a proper business expense. As a matter of law, both under wage stabilization and the internal revenue code, the cost of such insurance benefits can be paid by the employer and charged to the salary accounts of the various employees, and this procedure can be recommended, but such payment must not be confused with the cost of the pension plan proper.

"If the payment of premiums for insurance benefits is made by the employer, it should be remembered that the cost should be segregated on the books of the employer and such cost will be subject to social security taxes, unemployment taxes, workmen's compensation premium, and Victory tax deductions. Likewise, the amount of such premium will be regarded as salary or wages to the employee and returnable by him for tax purposes.

"If the plan is a contributory plan with the employee making contributions, the portion of premium representing insurance cost can be charged directly to the employee's contribution, but in such case the trust agreement should clearly recite that the employee is paying his own insurance premiums rather than contributing toward the cost of the pension plan.

"An actuarial problem is involved in the separation of the premium between the annuity portion and the insurance portion, and the regulations do not define the manner in which such division is to be made and the actuaries are not in agreement as to the procedure to be followed."

Minn. Federation Honors Roberts

ST. PAUL—"Good fellow, loyal friend, efficient co-worker" were the words inscribed on a specially engraved scroll signed by 15 members of the executive committee of the Insurance Federation of Minnesota and presented to E. A. Roberts, who is leaving Minnesota Mutual Life to become president of Fidelity Mutual Life.

The scroll was presented at a luncheon meeting of the committee in honor of Mr. Roberts, who for several years has been a vice-president of the federation and active in its affairs.

An antique tray and tureen were presented to Mr. and Mrs. Roberts at a testimonial dinner given them by various civic organizations. More than 400 attended to show their appreciation of the active part Mr. and Mrs. Roberts have taken in the civic and cultural life of St. Paul.

Guild Sponsors Broadcast

PHILADELPHIA—Benjamin Rush, Jr., vice-president North America and general chairman of the local Red Cross War Fund campaign, spoke on a radio program sponsored by the Insurance Guild, C.I.O., Local 22. The vital nature of Red Cross activities was outlined by Mr. Rush.

Joseph V. Lehman, guild president, pointed out that life insurance premium dollars are triple threat fighters for victory because they aid in the prevention of inflation, help finance the war and help maintain home front security.

The FIELD UNDERWRITER IS IMPORTANT *because ...*

By
Henry H. Jackson
President,
Home Office
Life Underwriters' Assn.



One of a series of statements by national leaders

... He is "among the honorable workers in the civilized world, to whom the public as well as the insured will die indebted. We give faithful and successful life insurance agents a high place. Forethought and mutuality of effort to provide the most effectually against future contingencies is not a spontaneous growth of the human soil. It is a matter of special cultivation; the result only of some sort of missionary labor, notwithstanding its manifest coincidence with the highest interests of all concerned.

"It is hardly possible to believe that a life insurance agent can achieve any long-continued success without bringing into action some of the noblest qualities of a sterling man, and no field that we know of is more inviting to an ambition that would devote the best of talents to the benefit of society at large and individuals in particular."

To the truth of these words I am sure that every member of the Home Office Life Underwriters' Association heartily subscribes. The words are not my own. They form part of a report signed at Boston, February 23, 1863, when a nation, conceived in liberty and dedicated to the proposition that all men are created equal, was fighting desperately to guarantee its very endurance.

Again today that nation is engaged in a desperate struggle to insure the continuance on this globe of that conception and that principle. And again today the underwriter in the field who is conscientiously performing, in the face of the difficulties and discouragements peculiar to such times, the highly important duties which are his, is entitled to all the encouragement and all the satisfaction implied by the ringing words penned by Elizur Wright *eighty years ago*.

This space has been offered to leaders in the life insurance fraternity in the interest of properly appraising the value of field underwriting in war-time America. It is hoped that this series will prove beneficial to Field Underwriters of this and all companies. Reprints will be gladly furnished on request.

HOME LIFE INSURANCE CO., NEW YORK, N. Y.

Ethelbert Ide Low, Chairman of the Board

James A. Fulton, President

William P. Worthington, Vice President and Superintendent of Agencies



ON APRIL 15TH, THE NEW YORK CITY ASSOCIATION OPENS ITS "SELLING LIFE INSURANCE UNDER WAR-TIME CONDITIONS" CLINICS.

CHAIRMAN DAVID B. FLUEGELMAN has gathered an outstanding faculty and though only one general announcement has been made, more than 100 advance enrollments are in hand.

HERE IS SIGNIFICANT EVIDENCE that the underwriter is hungry for help. He realizes that he must gear himself into a new day—that times are moving—that he must move with them.

ANOTHER CASE IN POINT—when the SUN LIFE OF CANADA invited its men to enroll for the Supervised Study of R & R's Tax and Business Ins. Course, three times the anticipated number accepted.

AGAIN when an invitation was sent to 83 underwriters to attend at their own expense a two-day "Workshop" at Purdue, 41 responded.

HERE ARE SIGNS OF A NEW STATE OF MIND too important to be dismissed. It is a state of mind with which much can be done, providing management takes it into consideration and gives it proper place in both long and short-term planning.



PAUL SPEICHER
Managing Editor

**THE INSURANCE
RESEARCH & REVIEW SERVICE**
INDIANAPOLIS

Clarify Economics Society Position

(CONTINUED FROM PAGE 3)

roll. He opposed getting people in a frame of mind where they are willing to lean on the government for all contingencies. Such a plan, he said, takes away the opportunity for young men.

It was brought out in the discussion that 24.8% of the income of the social security board is paid out in salaries of employees. There are 130,000 people receiving unemployment dole in Illinois and yet any able bodied person can get work. It was contended that the companies writing health and accident insurance are properly geared and they can meet any situation with regard to disability. One speaker said that it was unfortunate that no accident and health man was called in for consultation in the formulation of the social security program and there has been no definite information as to the cost.

Danger in Appeasement

Some of the speakers took the position that there is great danger in an appeasement policy, that is, having the bureaucrats believe that the insurance people are not so hostile to the act after all. It was stated that if the act is extended it will kill off initiative. Any extension will only be a stepping stone to further assumption of power. It was reiterated from time to time that public assistance can well do the work of taking care of the indigents. One speaker said that any company that put out a foolish or fantastic policy always had to pay the penalty. Therefore the government in going into the disability business without any knowledge of what the cost may be and with the idea of having benefits increased from time to time would burden the country with an enormous debt.

It was stated that the insurance people should point out the fallacy of the extension of the plan into disability insurance and should also call attention to the failure of bureaucracy in operating an enterprise of this kind.

Mr. Manzelmann said that thousands of people left Europe and came over here to get away from coercion and having themselves regimented on all sides. They want to plan their own social security. They should have the opportunity of selecting the amount and kind of coverage. Any government bureau forces people to take the same stand. It has only one plan and they must accept that whether it fills their wants or not. As John M. Powell put it, "Get security through freedom and not at the cost of freedom."

KEEPS PILING UP

It was pointed out by speakers that it is impossible to start a federal bureau and keep it within bounds. It is destined to extend itself. President Pauley made it plain that disability benefits differ from the other features of the present social security act which covers old age and unemployment, both of which are not insurance in any sense of the term. Let the social security act take one step forward, he said, then it will soon assume the whole disability program. He stated that any public body soon extends its tentacles in every direction and squeezes out the life blood. He predicted that the social security board would start with temporary disability and then soon get into permanent. Mr. Grant predicted that no action would be taken by the present Congress. Mr. Pauley declared that there are too many theorists, welfare workers and extreme liberalists of the Harry Hopkins type that are endeavoring to shape this legislation.

One speaker made it plain that the insurance people should in no way oppose the social security act extension because of the effect on their own business. He said the public doesn't care at all what becomes of the disability insurance business. The argument should be

that the extension is not now for the benefit of the people as a whole. At the present time it was stated that people in general think that something is going to be done along social security lines but they are rather indifferent. It was stated that it would be wise to change this trend of thought, viz., that something might not take place. The present social security act should be left as it is and no extension at least should be made during war time when everybody is burdened with war debts. The danger of expansion should be explained. One speaker declared that under the present unemployment dole if there is a sharp depression employers will not have much conscience in letting out employees because they get a dole whereas during the former depression they held on to employees as far as they could.

Cost of Extending Act

There was much said about the probable cost of the extended social security act. No one is able to get at any definite figures. Therefore it was suggested that the present act should remain in force and get some experience under it before any more experiments are made. Unemployment benefits, President Pauley explained, are in the nature of workmen's compensation insurance. Unemployment is a hazard of conducting business and this cannot be borne by the individual employee. Therefore it is a charge against the employer for the cost of doing business. In 1949, he said, there would be 3% on the payroll paid by employers, 3% by employees for social security, and 3% for unemployment. Later on it is predicted that all salary deductions might reach 20% of the payroll for various taxes. He asked what will be the effect on free enterprise if 20% is deducted from employees' payroll? What will that do to employment? A number of speakers stated that the social security board should get on a current basis, that is, it should pay benefits out of current earnings and not build up a large reserve. One speaker declared that it would be well under the social security act to begin paying everybody regardless of his status when he reaches age 65, the retirement annuity. That would bring the cost home to the public. It would show the people what is before them if these schemes are enlarged. One speaker said that much attention is being given to the disabled and it is time that some attention was being given to the well man, to the fortunate. These are the ones that will have to pay the cost.

Afraid to Figure the Cost

The 2,000,000 present totally disabled persons could not come under the law because they have not accumulated sufficient credits. President Pauley said that evidently the social security board is afraid to approach the cost on the current basis. Bureaucrats don't count the cost. They want to expand their powers even when the cost becomes very oppressive.

Another speaker gave it as his opinion that the life companies should oppose the extension of the act into disability insurance.

H.O.L.U.A. Annual Muster

The postponed annual meeting of the Home Office Life Underwriters Association will be held at the Hotel Pennsylvania, New York City, May 20-21. The occupational committee will meet May 19. H. H. Jackson, National Life of Vermont, is president. The chairman of the program committee is Frank I. McGraw, Bankers Life of Iowa.

Launch Ohio State Campaign

Ohio State Life has launched a campaign, "Kill a Jap with an App." The campaign will end May 15 and war bonds will be given as prizes.

Two Important Questions

"The test of the pudding is in the eating"

Two important tests for a Life Insurance Company are these two questions.

1. Do policyholders maintain their insurance in force year after year?
2. Are the Company's representatives earning a substantial living in the business? Are they prospering?

THE 1942 RECORD SHOWS PERSISTENCY OF BUSINESS

at a new high point, approximately 97%. Indianapolis Life policyholders not only keep their insurance in force, but also buy new insurance and are centers of influence.

EARNINGS OF FIELDMEN

According to the TNEC Report to the S.E.C., Indianapolis Life full-time men earned the largest average income of any company studied. In 1942, these earnings continued to increase.

NUMBER OF MEN PAYING FOR OVER

\$100,000 was 13% greater than in 1941.

NUMBER OF MEN PAYING FOR OVER

\$5,000 IN NEW PREMIUMS 50% greater than in 1941.

NUMBER OF AGENCIES PAYING FOR OVER

\$10,000 IN PREMIUMS 50% greater than in 1941.

Agency opportunities available in Indiana, Illinois, Ohio, Texas, Michigan, Minnesota and Iowa.

INDIANAPOLIS LIFE INSURANCE COMPANY

Indianapolis, Indiana

A Quality, Legal Reserve Mutual Company

EDWARD B. RAUB
President

Organized in 1905

A. H. KAHLER
2nd Vice-President
Supt. of Agencies



Design for Victory

Field representatives of the Equitable Life of Iowa are weaving a Design for Victory which is typically American.

More than fifteen per cent of those comprising the Equitable of Iowa's field force are now in the armed services. Their contributions to the cause of Freedom are self-evident.

A full one hundred per cent of all Equitable of Iowa field representatives who are continuing to serve as Life Underwriters are also doing their part, by extending the benefits and services of Life Insurance more effectively and aggressively than ever before. Let us not minimize the importance of their contributions. There is a very real responsibility in helping to preserve, through Life Insurance, the economic well-being of the home front.

Additionally, Equiwoans on the home front are selling War Bonds and Stamps; they are serving on draft boards, as air raid wardens, auxiliary police, and in many other avenues of the war effort... and they are investing generously of their earnings in War Bonds.

That is the American way of waging all-out war... an orderly, voluntary, democratic Design for Victory which Hitler can neither understand, nor stop.

EQUITABLE LIFE OF IOWA

Founded 1867

HOME OFFICE

DES MOINES

Takes Glimpse at Pension Plans

(CONTINUED FROM PAGE 2)

become even more general than in the past.

The new law was drawn to treat favorably with these plans which cover the greater part of the permanent employees of a group. All pension plans covering a restricted portion of an employee group must be approved by the commissioner of internal revenue. If he finds that the restricted plan is not discriminatory in favor of employees who are officers, shareholders, persons whose principal duties consist of supervising the work of other employees, or highly compensated employees, he will treat with it in the same manner as a broad plan.

No pension plan whether broad or restricted may, if favorable tax action is desired, be discriminatory on a percentage basis, in favor of the higher paid employees after giving due allowance to social security benefits on the first \$3,000 of earnings.

With respect to the amounts of contributions to be allowed as a tax deduction, the act has a section which was designed to cover the type of pension plan that utilizes the individual retirement annuity contract; a different section was designed to cover the group annuity type of contract. It appears that the self-insured type could fall in either one category or the other. The necessity for this different treatment results from the fact that the costs under the individual retirement annuity type are paid in level amounts over the years to retirement for each employee, while the costs under the group annuities consist of a series of single payment year-to-year annuity purchases.

In the absence of published regulations, wholesale requests for rulings were made by employers who were desirous of installing plans before the year end. Many of these requests came from small companies whose plans seemed to comply with the letter of the law. On close scrutiny, however, the Treasury has found that, while there may be no discrimination in benefits, a great part of the cost is often concentrated among the higher paid employees. The Treasury feels that these plans are not fulfilling the spirit of the law. Also, it appears that the Treasury has been dismayed at the great number of bona fide plans which are being installed as well as at their liberality. Both of these factors may have been the possible cause for the failure of the department to issue the regulations to date.

Caution Is Issued

As to pension plans in the future, it would appear that employers might best be advised to avoid adopting plans which are excessively liberal as to benefits or as to retirement age even if the plan is broad in scope, unless, of course, the employer feels he has a legitimate reason for the supposed liberality. As to restricted plans, an employer should be very wary of the plan's benefits and other features.

As to the age for normal retirement, it would seem best to resort to an age no lower than 65 for men and 60 for women unless there is a legitimate reason for a lower age.

It is highly important that competent tax authority be consulted for clearance before a plan is definitely announced to the personnel.

Saratoga Springs Parley Features Compensation

(CONTINUED FROM PAGE 2)

the volume sold may have declined. He emphasized the necessity in seeking greater flexibility for reasonable experimentation, of keeping the aggregate cost within that of the present method.

A system which would retain in part

the incentive features and include as well an element tending to stabilize income would seem desirable, especially in bringing new men and women into the business, he said.

Guertin Bills Head List of N. Y. Acts

(CONTINUED FROM PAGE 3)

tion the sole test of independent contractor status. The measure was defeated but passed on motion for reconsideration.

Extend the real estate mortgage loans moratorium for another year, including the requirement for payment of at least 1 percent amortization each year.

Permit greater flexibility in compensating agents, though without increasing the over all expense limitation. This would permit paying salaries even after an agent had been in the business more than two years.

Measures that failed included those which would have cut the policy loan interest rate to 3%, penalized companies for defending unsuccessful suits brought by policyholders by requiring payment of the policyholder's counsel fees, and required companies to follow up lapse notices with a registered letter and obtain a return receipt in each case and then enumerate these in the annual statement.

IN U. S. WAR SERVICE

Cecil Woods, Jr., son of the president of the Volunteer State Life, has been inducted into the army and is stationed at Kesler Field, Miss. He graduated from Vanderbilt University in December magna cum laude.

Jack R. Morris, director of publicity of Business Men's Assurance, who has been taking naval training at the University of Arizona, Tucson, has received his commission as lieutenant (j.g.).

Lt. Laurence Morrissey is spending a few days on furlough in Davenport, Ia., after having graduated as second lieutenant, Ft. Benning school of infantry. He was formerly associated with his father, L. M. B. Morrissey, who has been with the Phoenix Mutual Life for 30 years and is manager at Davenport.

Carl W. Woodmansee, assistant secretary of Midland Mutual Life, has been accepted for limited military service. He is the tenth from its home office to enter the service.

Staff Sgt. Duke D. Windham, Jr., formerly with Industrial Life & Health in Memphis, Tenn., a turret gunner in a B-25 in North Africa, has been reported missing.

Maj. George F. Malcolm, formerly associate general counsel of Central Life of Des Moines, has been transferred from the Chicago naval air station to the Chicago naval air technical training command. He was a flyer with the marine air corps in the first war.

Charles Carson, group manager of the Elmer Abbey agency of Aetna Life in San Antonio, has been inducted into the army.

Michael M. McKenney, agency director at St. Joseph, Mo., for New York Life, has reported at the VOC school for military police at Fort Leavenworth, Kan.

A. W. Evans, group representative of General American Life, has been advanced to lieutenant (j. g.) in the navy and given command of the third battalion in the midshipmen's school at Northwestern University.

Get "Planning and Selling the Basic Estate"—the method that has sold over 30 million. By Roderick Pirnie, C.L.U. Only \$2. Order from National Underwriter.

1903 40th 1943

Our Fortieth Anniversary
YEAR

The VOLUNTEER STATE
LIFE INSURANCE COMPANY

CHATTANOOGA, TENNESSEE

"A Southern Company Of Character"

Cecil Woods,
President

Howard Blanton,
Agency Vice President

WARTIME WORKING CAPITAL

LOANS



Our plan permits the following, if you wish:

A percentage of the renewals to revert to you for current expenses.

Maturities to General Agents five years; to sub-agents four years. We cannot accelerate the maturity.

We advance approximately three times your '42 renewal income.

Rates—\$30 per \$1000 per year on loans ten thousand and upward; \$35 per \$1000 on amounts five to ten thousand and \$40 per \$1000 up to five thousand.

An outside appraisal of the value from a collateral viewpoint of your renewal estate by qualified statisticians—at no cost to you.

You are under no obligation in obtaining from us a firm loan commitment.

LIFE UNDERWRITER'S
CREDIT CORPORATION

NORTHWESTERN BANK BUILDING
MINNEAPOLIS, MINN.

EDITORIAL COMMENT

Two Revealing Addresses

There were two addresses made before the Eastern Round Table of the Life Insurance Advertisers Association that were remarkably enlightening and fresh in their viewpoint. They tackled a practical subject and they furnished some observations that were pertinent because they came not only from those in newspaper work as onlookers but they are also insurance buyers.

The first talk was given by the editor of "Harper's Bazaar," Mrs. Carmel Snow, and the other by Miss Evelyn Shuler, the new director of public information at the head office of the Penn Mutual Life. More and more women are becoming life insurance buyers and insurance conscious. Many are now receiving salaries that are sufficiently large to prompt them to be greater purchasers of insurance.

Both women dealt with the methods of life companies and agents in appealing to women purchasers. They agreed that agents do not talk to women in their own language so that they can understand and that the advertising and publicity matter of life companies is too stilted, too conservative, too formal and bewildering.

Both women agree that in the sale of life insurance the stories of the business are left untold. Women are not so much interested in statistics, in technical points as they are in knowing what life insurance has done for somebody. There has been little dramatization in life insurance so far as the selling public is concerned. Yet every agent who has been in the business for any length of time can bring up from his own experience interesting and appealing stories that grip the heart.

Miss Shuler made an interesting comment on the nomenclature in life insurance. She said, for instance, that the

term "underwriter" is not clearly descriptive. People do not know what it means. It has often been our viewpoint that life men endeavor to dignify their business in an artificial way. After all the salesman of life insurance is an agent. It is a good old sound word that is readily understood. It is true that it carries the prejudice of life insurance selling that was seen many years ago. Today a life agent does not need to apologize for his calling. The term "underwriter" is a misnomer so far as the salesman is concerned. He after all does very little underwriting. He does a certain amount of selectivity and yet it is not sufficient to entitle him to being known technically as an "underwriter." Life insurance people have conjured up other terms to make a candied surface for their calling.

Perhaps it would be a good idea for some company or some organization to make a study of life insurance terms and see if others cannot be adopted that would better reveal what is actually sought to be set forth. Miss Shuler, for example, said that the first time that she saw "C.L.U." after a life agent's name she thought it meant "Central Labor Union."

Mrs. Snow in relating one of her experiences, told how she was impelled to buy insurance not by an agent but by a woman who had come into possession of life insurance proceeds that enabled her to take her children abroad on a trip. She had used life insurance for this definite purpose which appealed to Mrs. Snow. Immediately Mrs. Snow sought out an agent to see how life insurance might be adapted to her needs. Both women gave some sound and sensible advice that all in the business might well heed. They demonstrated forcefully the need of humanized selling process.

How Agents Are Losing Money

Life agents are losing income because of their uncertainty regarding the war. They do not know whether they had better get into defense work or not. This uncertainty slows up their prospecting, and to quite an extent, their selling.

A Russian peasant (old style) who was plowing his field was asked what he would do if told he was going to die tomorrow. He replied, "I would go on plowing." When the first registration for the selective service came along a life insurance man in his middle 30s

registered like everybody else. He was married but had no children. About a year after the inductions started he discovered that he was not making a living, that is, his earnings had dropped so that they were not paying his expenses. After some reflection he realized that his uncertainty about going to war had caused him to ease up on his selling. Realizing that he might not be called, he threw himself back into the work and soon was making as good an income as ever.

Whatever uncertainty there may be

about any agent's status, he should not let it interfere with the money he can earn for his family.

Unquestionably, any life man who does a reasonable amount of work now can make more money than ever. Indi-

vidual agents are enjoying good production. General agents are hard hit where they have lost a considerable number of men, but the agents who reach the public are doing a good business.

PERSONAL SIDE OF THE BUSINESS

Maurice J. Koch, who for over 14 years has been a leader of the Cincinnati agency of Northwestern Mutual Life, has joined the American Red Cross for foreign service. He left Cincinnati March 28 for his training at Washington, and later will be assigned to a unit for overseas service as assistant field director. He is a C. L. U. and past president Special Agents Association of Northwestern Mutual. During Mr. Koch's absence, his wife will continue his insurance business.

Arthur E. Seebeck of the Victor-Winter home office agency of Minnesota Mutual Life has rounded out 473 weeks of consecutive production.

Arthur G. Derr has just completed 10 years as Newark general agent of Aetna Life. He has been with the company more than 30 years, starting as secretary to the manager of the Pittsburgh agency in 1912. Six months later he entered the selling field. When the company entered Florida in 1923 he was sent to that state and made state general agent with headquarters in Jacksonville, where he stayed 10 years. He served as president of the Florida Life Underwriters Association for two terms and also as secretary of the Pittsburgh association.

W. Reginald Baker of the Newark agency of Mutual Life starts his 55th year with the company April 23. He started as an office boy at the home office and remained there in various positions until 1912, when he entered sales work. He is a past president of the Life Underwriters Association of Northern New Jersey, has qualified for the Million Dollar Round Table twice and has been a member of the company's National Field Club for many years.

Stratford Lee Morton, St. Louis general agent of Connecticut Mutual Life, has been endorsed by the Missouri League of Women Voters for election as one of the delegates-at-large to the Missouri constitutional convention. The election is to be held April 6. Mr. Morton has been a leader in the movement for a modern constitution for Missouri.

Gerald L. Wartell, district manager of Franklin Life, Chicago, is the author of "My Service Diary," a book giving the man in service ample opportunity to keep a complete record of his experiences, pictorial and otherwise, which has been very favorably received.

Harold Haas, deputy insurance commissioner of California, is confined to his home with an attack of measles.

T. A. Phillips, president of Minnesota Mutual Life, has been elected a director of the Northern States Power Co., largest power utility in the northwest.

O. J. Arnold, president of Northwestern National Life, and **Charles F. Liscomb**, Duluth, past president of the Na-

tional Association of Insurance Agents, were among a large group of business men from five northwest states who gathered in Minneapolis to map plans for April war bond sales.

Mr. Arnold now is vacationing at Fort Lauderdale, Fla. En route he stopped at Houston to visit with the Northwestern National agency there. He addressed a luncheon meeting of the group.

Walter J. Leonard, General American Life, Manhattan, who resigned as president of the Kansas Life Underwriters Association last fall on joining the army, has been honorably discharged due to his age and is entering civilian war work.

Harry W. Stanley, Wichita general agent of Equitable Life of Iowa, spoke at the 26th anniversary of the Arkansas City Rotary Club. He was instrumental in founding the club in 1917.

Clayton Mammel, home office general agent of Farmers & Bankers Life and president of the Wichita General Agents & Managers Association, has returned to his office after two weeks in a hospital.

M. F. Mulconery, Wichita agency director of New York Life, is seriously ill in a hospital there.

The marriage of Miss Moran Reah McCarter, daughter of **G. S. McCarter**, who is superintendent of agents of the ordinary department of American National, and **L. W. Hedrick, Jr.**, of Dallas, was solemnized at Central Christian Church in Galveston. Miss Helene McCarter, sister of the bride, was maid of honor. Miss Carolyn McCarter, another sister, was flower girl. The groom is a graduate of the University of Texas. He is now connected with the treasurer's department of American National as bond and investment analyst. Miss McCarter is a popular young woman of her city.

E. W. Owen, retired Detroit manager of Sun Life of Canada, has been named British vice-consul in Detroit. He retired in 1939 after having managed the Sun branch for many years. He was nationally known as an inspirational speaker on life insurance and salesmanship, served as National association secretary and trustee, and as president of Associated Life General Agents & Managers and Qualified Life Underwriters of Detroit. He served as an officer in the American expeditionary force in the former world war. For the past two years he has been serving as dollar-a-year public relations director for the British consulate.

Miss Louise M. Newman, personnel director at the home office of Northwestern Mutual Life, has been granted a six month leave of absence at the request of the army air corps and has left for Washington to organize a staff to deal with personnel problems of civilian



THE NATIONAL UNDERWRITER

Published by THE NATIONAL UNDERWRITER CO., Chicago, Cincinnati, New York. PUBLICATION OFFICE, 175 W. Jackson Blvd., CHICAGO. Telephone Wabash 2704.

EDITORIAL DEPT.: C. M. Cartwright, Editor. Levering Cartwright, Managing Editor. News Editors: F. A. Post, C. D. Spencer. Associate Editors: D. R. Schilling, J. C. O'Connor, Kenneth Force.

BUSINESS DEPT.: John F. Wohlgenuth, President. H. J. Burridge, Vice-President and Secretary. John Z. Herschede, Treasurer. W. A. Scanlon, G. C. Roeding, O. E. Schwartz, Associate Managers.

NEW YORK OFFICE—123 William St. Tel. Beekman 3-3958. Editorial Dept.—R. B. Mitchell, Eastern Editor; George E. Wohlgenuth, Assistant Editor; Dorothy B. Paul, Editorial Assistant. Business Dept.—N. V. Paul, Vice-Pres.; J. T. Curtin and W. J. Smyth, Resident Managers.

CINCINNATI OFFICE—420 E. Fourth St. Tel. Parkway 2140. L. H. Martin, Abner Thorp, Jr., and C. C. Crocker, Vice-Presidents.

BOSTON OFFICE—944 Park Square Bldg., Telephone Hubbard 8696. R. E. Richman, Vice-President.

DALLAS OFFICE—617 Wilson Bldg., Tel. Riverside 3383. Fred B. Humphrey, Resident Manager.

DES MOINES OFFICE—3333 Grand Ave., Tel. 7-4677. R. J. Chapman, Resident Manager.

DETROIT OFFICE—1015 Transportation Bldg., Tel. Randolph 3994. A. J. Edwards, Resident Manager.

MINNEAPOLIS OFFICE—500 Northwestern Bank Bldg. Tel. Geneva 1200. R. W. Landstrom, Resident Manager.

PHILADELPHIA OFFICE—1127-123 S. Broad Street. Telephone: Pennypacker 3706. E. H. Fredrikson, Resident Manager.

ATLANTA OFFICE—560 Trust Company of Georgia Bldg., Tel. Walnut 5867. E. E. Hess, Resident Manager.

SAN FRANCISCO OFFICE—507-8-9 Flatiron Bldg., Tel. EXhrook 3054. F. W. Bland, Res. Mgr.; Miss A. V. Bowyer, Pacific Coast Editor.

Subscription Price \$3.50 a year (Canada \$4.50). Single Copies, 20 cents. In Combination with The National Underwriter Fire and Casualty, \$6.50 a year (Canada \$9.00). Entered as Second-class Matter June 9, 1900, at Post Office at Chicago, Ill., Under Act, March 3, 1879.



A small objection can't stand up before this powerful fact.

workers in army air fields, of which there already are some 235,000. **William Ahrens**, assistant personnel manager, who has been in Madison, Wis., for several months assisting the state of Wisconsin to work out and establish a merit rating plan for state civil service employees, has returned to his position with Northwestern Mutual.

R. C. Gilmore, who was manager at Washington, D. C., for Bankers Life of Iowa and whose position was recently filled by C. H. Carr, is now in army service.

DEATHS

Arlington Locke, 69, for 28 years a representative of Travelers in Pittsburgh, died there.

Mrs. Libbie Shearn Moody, 72, wife of W. L. Moody, president American National, died in the John Sealy Hospital in Galveston. She sprang from a pioneer family that came to this country from England. Her grandfather, Charles Shearn, was identified prominently with the history of Houston, Tex., in the early days. Surviving are Mr. Moody, W. L. Moody, III, vice-president American National, and two daughters, Mrs. E. C. Northen and Mrs. C. W. Thompson, both of Galveston. Another son, Shearn Moody, died some years ago.

Hakon O. Lund, 77, for 40 years with New York Life at Iron River, Wis., died after a brief illness at a hospital in Ashland, Wis.

Morris S. Leverette, 71, general agent of Security Life & Trust in Sanford, Fla., since 1927, died there following several months illness.

SALES MEETS

North American Life Ohio Society Holds Its Annual Gathering

Alden Palmer, R. & R. Service, was the guest at an all-day gathering of the Ohio agency organization of North

American Life of Chicago at Columbus.

The Ohio Society is headed by Harry O. Kramer, who has just completed 50 active years as a field man in the life insurance business, of which more than 30 have been with North American Life. He has been in charge of Ohio for 26 years.

Vice-president Paul McNamara and C. G. Ashbrook, superintendent of agencies, went from Chicago to meet with the Ohio men. Mr. McNamara formally presented to Mr. Kramer the leading agency achievement trophy for 1942 which the Ohio Society had won for paying for the largest volume of new premiums of any agency with the company.

Twelve members of the Ohio Society have been active for 10 or more years.

Reliance Life Eastern Managers Confer April 1-3

Eastern division managers of Reliance Life are gathered in Pittsburgh for a three-day business conference April 1-3. H. T. Burnett, agency vice-president, and other home office executives will discuss current organization problems.

No set program of talks has been arranged. The sessions will be devoted entirely to round-table discussions of production and recruiting problems and their possible solution. One morning will be devoted to conferences in various departments of the company's home office.

Managers slated to attend include: R. C. O'Connor, Cincinnati; Jordan Gauthier, Philadelphia; J. P. Troop, Minneapolis; William C. Peck, Chicago; Raymond H. Wertz, Detroit; Frank F. Vesser, St. Louis; Lloyd H. Feder, Cleveland; Herman P. Savage, Baltimore; Norbert H. Weidner, Pittsburgh; Wilson Slick, Johnstown, Pa., and Frank J. Trammell, Martinsburg, W. Va.

Fewer Agents Sell More

A smaller force of agents is doing more business than in the same period last year, F. O. Lyter, assistant superintendent of agencies, Connecticut Mutual Life, declared at a meeting of the R. N. Waddell agency at Pittsburgh. He said the field staff has dropped from about 900 to 679 in 2½ years, there being 217 on leave of absence while in the armed forces, or a net 462 at work sell-

ing life insurance. Connecticut Mutual manpower has shrunk because of voluntary reduction of field force by establishing higher standards for agents and because the policy has been to select young men for special training, a great many of whom have been drawn into the service.

Ohio National Managers Meet

The Ohio Association of General Agents & Managers of Ohio National Life held its first quarterly conference of 1943 in Columbus. The meeting was in charge of T. W. Strange, Cincinnati general agent, and N. J. Tschantz of Canton was designated chairman for the second quarter.

G. E. Coxworth, assistant counsel of the company, spoke on "Taxes and Their Relation to Life Insurance" and E. W. Millholland, assistant manager of the Columbus agency, on "Life Insurance and the Salary and Wage Stabilization Laws." In attendance, in addition to those named, were Grant Westgate, assistant superintendent of agencies, and these general agents: George C. Hill, Sandusky; V. E. Templeton, Lima; H. E. Crain, Akron; O. C. Norton, Toledo, and J. W. Millholland, Columbus.

Be sure to specify the **Little Gem Life Chart**, when asking your home office for a new up-to-date reference book.

Life Insurance Titles for the Rate Book Man

Different life agents assume titles to give a more dignified caste to their calling. "Life insurance counsellor" has about it a stink due to the prejudice against twist-ers and those who have chosen the title but who give little real counsel. F. S. Kingore, agent of the Mutual Life in Chicago, has on his card, "Insurance Counselling."

Detroit Pension Plans Held Up

DETROIT—Business executives are ill-advised to establish plans for employee-pensions based on war-time earnings, V. P. Ettlinger, Prentice-Hall service, told 500 Detroit business executives in a discussion of taxation problems. He predicted a sharp increase in social security payments and benefits.

Life insurance men here feared that his hearers might have gained the impression that he was condemning employee-pension plans as such. Several pension plans now under negotiation in the city were reported to be stymied, at least for the time being, following the address and its attendant newspaper publicity.

THE NEW INSURANCE MONEY MAKER

issued by the
ILLINOIS BANKERS LIFE ASSURANCE
COMPANY

THE INCOME BUILDER

1. We have a NEW PLAN to enable you to make more money in these times.
2. ONE-TENTH THE SALES, through large first commissions and large renewal commissions will return you TEN TIMES the earnings of the same volume of life insurance alone under our plan.
3. IN ONE YEAR, you build as large a renewal income as you would in ten years writing the life insurance alone under our plan.
4. This Insurance Pays All Ways:

If you live too long.
If you do not live long enough.
If you are disabled.
If you have an emergency need for cash.
ALL AT EXCEEDINGLY LOW COST.

HUGH D. HART
Vice President and Director of Agencies

Illinois Bankers Life Assurance Company

MONMOUTH, ILLINOIS

NEWS OF THE COMPANIES

Ray R. Haffner B.M.A. Actuary

Ray R. Haffner is resigning as actuary of the Illinois insurance department to become actuary of Business Men's Assurance. Mr. Haffner has been with the state department about 11 years. He is one of the best known of the state actuaries and has contributed much to the prestige of the Illinois department. At B.M.A. he takes the place of Leonard McVity, who recently went with Equitable Society.

William H. Barber Joins Home Life's Planning Unit

William H. Barber has resigned as Newark manager of Connecticut General to become associated with John H. Evans, manager sales planning division of Home Life of New York. Mr. Barber entered life insurance in 1934 in New York, later becoming an assistant manager. In 1940 he went to Newark as manager for Connecticut General. From 1931 to 1934 Mr. Barber was the executive manager for New York City's emergency unemployment relief committee. After graduation from Dartmouth in 1921, he was for nine years associated with Thomas A. Edison, Inc., in advertising and sales work.



W. H. Barber

Birkenshaw Again Actuary

Following the enlistment for active service of Confederation Life's actuary, B. T. Holmes, J. H. Birkenshaw has been reappointed actuary. He served as actuary from 1936 to 1939, when he was appointed assistant general manager.

J. A. Hands in Spokane Post

James A. Hands, who has been chief supervisor for General American Life in charge of Missouri, Illinois, Indiana, Ohio and Michigan, has now joined Great Northwest Life of Spokane as superintendent of agencies. He graduated from Michigan State College in 1927 and then for two years was connected with the Frigidaire Sales Corporation and in 1930 entered the insurance business as a local agent in Detroit. In 1933 he went with Michigan Life as assistant actuary and agency supervisor and later became agency director. In 1940 he went with General American Life.

Mr. Hands is the son of L. T. Hands, who served as insurance commissioner of Michigan from 1921 to 1927 and who later organized and served as vice-president and manager of Michigan Life.

Federal L. & C. Advances F. V. Cliff, Fred Grainger

F. V. Cliff, who has been vice-president and secretary of Federal Life & Casualty of Detroit, has been elected executive vice-president. Fred Grainger, who has been agency director for many years, was elected vice-president.

Mr. Cliff, a son of V. D. Cliff, veteran president of the company, who has been in the business for more than 50 years, joined the home office staff in 1926, after serving in the field, and advanced through various official posts, serving as chief underwriter at the time he was elected vice-president. He is thoroughly acquainted with the activities of all departments of the company and has been for some time its chief executive officer.

Mr. Grainger has just completed his 20th year with Federal. He is especially well known in the accident and health field. He has been very active in the Detroit Accident & Health Association, which he served as president; the National Association of Accident & Health Underwriters and the

Health & Accident Underwriters Conference.

American United Life Shows Many Gains

In 1942, American United Life bought more than \$3,000,000 in government securities, total such holdings aggregating \$4,017,732 at the year's end. Investments in government securities exceeded the amount of new life insurance premiums.

Assets increased from \$54,763,792 to \$57,679,189. Insurance in force showed a gain of \$2,904,137, totaling \$290,773,806. The mortality rate showed a considerable improvement over 1941, and there was a marked improvement in persistency.

Management expenses were less than in 1941. Forty-four percent of the home office men under age 45 have entered the armed forces.

Reserves for policyholders total \$9,645,088, surplus for contingencies \$209,381, and unallocated surplus \$320,000. Investments in U. S. bonds total \$1,058,821, with total bond and stock investments of \$1,734,447, mortgage loans \$876,125, and loans to policyholders \$1,060,307.

Clark and McCombs Promoted

Union Central Life has elected Roger W. Clark assistant secretary, and Allen B. McCombs, assistant actuary. Mr. Clark, who is a son of Jesse R. Clark, Sr., former president, started in the reinstatement department following his graduation from Yale in 1931, later becoming manager. Previous to his appointment as agency secretary last year he was supervisor of claims.

Mr. McCombs started in the benefit division in 1937, six months later becoming manager. Early this year he became supervisor of claims.

Report on Guarantee Trust

The Illinois insurance department has released its report on Guarantee Trust Life, 624 South Michigan Avenue, Chicago, an assessment legal reserve company. The report is as of June 30, its assets being \$46,922, surplus in the department \$28,938. There is a deficit

Kentucky Home Mutual's Assets Pass 10½ Million

Kentucky Home Mutual Life reports \$10,512,047 assets at the end of 1942.

Occidental Names Two Vice-presidents

Howard J. Brace and Horace W. Brower have been elected vice-presidents of Occidental Life of California. Mr. Brace, who has been secretary since 1935, became vice-president and secretary. He had his first insurance experience as secretary of the Security Trust Co., Idaho Falls, Ida. He served overseas for 20 months in the former war as lieutenant and returned with the rank of captain. Shortly afterward he was named insurance commissioner of Idaho, serving nearly five years. He then entered the agency department of Idaho State Life and was advanced to vice-president. When Occidental took over Idaho State in 1935 he was made assistant secretary and in 1935 was elected secretary.

Mr. Brower is manager of mortgage loan investments. He served overseas



HOWARD J. BRACE



HORACE W. BROWER

in the navy in the former war. In 1920 he entered the banking field with the Continental National Bank. Two years later he joined the Bank of America National Trust & Savings Bank and spent 11 years with that organization, advancing to assistant vice-president. He went with Occidental in 1933 as manager of the mortgage loan department, and in 1935 was elected assistant secretary.

NOW

³/₄ billion*

* In force March 15th,
more than \$750,000,000

General Agency Openings
V. H. JENKINS, Vice-President

OCCIDENTAL LIFE

INSURANCE COMPANY OF CALIFORNIA
HOME OFFICE • LOS ANGELES

W ← Horace Greeley was right

New Pacific Mutual Life Lineup



OSCAR SWENSON

Under Pacific Mutual's new home office setup, Oscar Swenson, former head of the comptroller's department, which has been discontinued, becomes an associate actuary, and Leslie J. Cooper,



LESLIE J. COOPER

associate actuary, has been given the additional title of tax counsellor in charge of a new policy contract department. Vice-president William Breiby assumes the comptroller's duties.

in the casualty department of \$16,025, its exact surplus, therefore, being \$12,912. The chief operating officers are President R. S. Holson; Secretary J. V. Griseto, and Treasurer D. L. Shock. The total income for the six months was \$111,546, disbursements \$86,085. Its insurance in force is \$2,482,400.

Malloy Assistant Secretary of Northwestern Mutual

Frank A. Malloy has been appointed assistant secretary of Northwestern Mutual Life in charge of the policy title



FRANK A. MALLOY

division at the home office. His promotion follows the recent election of Ralph Perry as secretary. Mr. Malloy is a native of Milwaukee and has been in the Northwestern Mutual secretary's department 37 years. He started in the collection division in 1905, was transferred to the policy title division in 1921, and was made supervisor in 1930.

Gardner Joins Portland Firm

L. M. Gardner, former counsel New York insurance department, is now associated with Huntington, Wilson & Davis, Portland, Ore., law firm. He will specialize in the trial of insurance cases.

MANAGERS

Pacific Mutual Conducts Course for General Agents

The general agency training course of Pacific Mutual Life, to meet war-time conditions in the field, is attracting much interest. The groups in attendance are limited to eight, so that individual attention may be given to each of the general agents. Vice-president W. M. Rothaermel, Carter Bryant, agency assistant, and Walter Hoeftlin, supervisor, are directing the program.

Those present at the home office for the course thus far include the general agents: Cyrus Lund, Erie, Pa.; W. W. Averett, Lynchburg, Va.; Hazen Exeter, Salt Lake City; Theo. Hundley, Huntington, W. Va.; Earle Rappaport and E. E. Henderson, Chicago; G. C. Hutchins, Allentown, Pa.; Frank Simpson, Sacramento, Calif.; Erick Gebzen, Shreveport, La.; A. M. Anderson, Ventura, Calif.; E. A. Ellis, Louis Arzt, Arthur Kraus, Rex Truesdell and Erle Gilbert, all from the Los Angeles metropolitan area.

Call Is Los Angeles Speaker

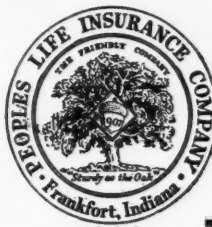
President Asa V. Call of Pacific Mutual Life addressed the Life Insurance Managers Association of Los Angeles on "Post-War Planning."

He said that in post-war planning there must be no inflation, there must be no deflation, nor must there be any repudiation. He said that when the 11,000,000 soldiers come home they must be cared for and that it will be done. He deprecated any socialistic theory of post-war planning, and said that post-war America must be a land of opportunity.

Honor Crabbe in Columbus

COLUMBUS—J. R. Crabbe, new Ohio insurance superintendent, was guest of honor at a banquet of the Columbus Life Managers & General Agents Association. F. P. O'Connor, assistant superintendent, and Walter Robinson, actuary, also were present from the insurance department. The superintendent's father, C. C. Crabbe, former attorney-general of Ohio, was a guest and spoke briefly.

R. G. Leuzinger, Ohio State Life, vice-president of the local managers association, presided in the absence of



TRUSTEESHIP

67,000,000 policyholders — \$35,000,000,000 in assets—assets held by the life insurance companies of our land that belong to those 67,000,000 policyholders — money saved, set aside and entrusted to the trusteeship of life insurance companies, a financial institution that has come unscarred through wars, panics, and epidemics encountered in its two centuries of service.

\$3,000,000,000 in actual cash—not in some form of promise to pay—but in actual dollars paid to the people of our land to use for the necessities of life during the past year.

Such is the record of the Institution of Life Insurance—a truly American institution.

If you are interested in the trusteeship of this great business, you will find it pays to be friendly with

PEOPLES LIFE INSURANCE CO.

"The Friendly Company"

FRANKFORT

INDIANA

Now . . . Participating, too!

With policies available under both Participating and Non-Participating Plans, Pan-American Fieldmen now render a broader life insurance service.

Pan-American policies fit every need for life insurance and are geared to meet all of the desires and preferences of prospects and clients.

In addition, the Pan-American offers:

A Most Liberal Agency Contract . . . A Recruiting Plan and Special Training for New Fieldmen . . . A New System Relieving General Agents from Agency Accounting . . . Attractive and Effective Sales Aids . . . Adequate Financing . . . Prospects for Insurance furnished through a Proven System.

Total Resources over . . . \$ 48,000,000.00
Capital and Surplus over . . . 2,685,000.00
Insurance in Force over . . . 189,000,000.00

Correspondence invited with men not presently connected.

Address: Charles J. Mesman, Superintendent of Agencies

PAN-AMERICAN LIFE INSURANCE COMPANY

NEW ORLEANS, LOUISIANA

Crawford H. Ellis
President

Edward G. Simmons
Executive Vice-Pres.

Stanley Coffman, president, who was ill. R. W. Hoyer, John Hancock Mutual, N. A. L. U. trustee, introduced Mr. Crabbe. Presidents of the three Columbus companies were on hand: Claris Adams, Ohio State Life; D. E. Ball, Columbus Mutual Life, and G. W. Steinman, Midland Mutual.

Cashiers Discuss Many Topics

The San Antonio Life Agency Cashiers Association held a round table discussion on placing new business when loans are repaid, new business found through the settling of death claims, giving out information, the suggestion of saving through annual premium payments and business resulting from national advertising conducted by the companies. Russell Trammell, Lincoln National Life, was quizmaster.

Rice Pittsburgh President

Howard L. Rice, assistant cashier New York Life, was elected president of the Pittsburgh Life Agency Cashiers Association at the annual meeting. Henry Cooper, trust officer Peoples-Pittsburgh Trust Co., spoke on pension trusts. Other officers selected are: Vice-president, Glenn Rose, Lincoln National Life; treasurer, James Norris, Mutual Life of New York; secretary, Mable Gibson, Mutual Benefit Life.

Entertain Oklahoma Speakers

The Oklahoma City General Agents & Managers Club entertained out-of-town speakers at the sales congress there and also members of the local C. L. U. chapter at a banquet, with George Field, Travelers, as toastmaster. Speakers were J. S. Myrick, vice-president Mutual Life of New York; I. S. Kibrick, New York Life, Boston, and Paul F. Clark, vice-president John

Hancock Mutual. Forty-five members and guests were present.

Service for Service Men

At the monthly meeting of the Life Agency Cashiers Association of San Francisco, George Bath, Sun Life, led a round table discussion on "Service for the Service Men."

AGENCY CHANGES

Two N. Y. Agencies Are Merged

The Cunningham agency of Mutual Life and the Jones agency in New York are being merged into a single agency to be known as the Cunningham-Jones agency.

The agency will be conducted jointly by Philip D. Cunningham and Albert H. Jones, under a partnership arrangement, with Mr. Cunningham as senior partner. The combined agencies, with more than \$140,000,000 of insurance outstanding, will be located in the Woolworth building, which is the present location of the Jones office.

Mr. Cunningham entered the business in 1905 at the home office of Mutual Life. In 1911 he resigned to enter the field as a full-time producer.



P. D. Cunningham



A. H. Jones

After achieving a notable record, he left in 1922 to become a general agent for Travelers in New York. He returned to Mutual Life in 1925 and subsequently was made a manager.

Mr. Jones entered the business in 1911 with Prudential. In 1919 he joined Mutual Life in Brooklyn. He was appointed instructor of agents in 1924, but the following year returned to production.

Later the same year, he had charge of a general agency in New York for Columbian National, but in 1926 he returned to Mutual Life. He has served as a manager since 1935.

R. L. Kelly General Agent at Westfield, N. J.

Ratus L. Kelly has been appointed general agent in charge of northern New Jersey territory by Mutual Trust Life. He is a graduate of Carson-Newman College and University of Michigan. Mr. Kelly for several years was a teacher, athletic coach and high school principal prior to entering life insurance work in 1933. He has specialized in programming and estate analysis work, his annual production regularly exceeding \$250,000.

Mr. Kelly will maintain headquarters at Westfield, N. J. He will have jurisdiction over Morris, Union and Somerset counties.

Howard M. Black has been named central New Jersey general agent by Mutual Trust Life with headquarters in New Brunswick. He entered life insurance in 1937 following 14 years of general business and sales experience. For the past year he has been doing supervisory work.

Bearden Knoxville Manager

Harvey E. Bearden, for seven years director of field training and sales pro-

motion in the southern territory, has been appointed manager of the Holston district of Metropolitan Life in Knoxville, Tenn.

LaBounta Takes Liemandt In as a Partner

The Leon W. LaBounta agency of Penn Mutual in Minneapolis now is the LaBounta & Liemandt agency. Mr. LaBounta has taken Clarence G. Liemandt



C. G. LIEMANDT

into partnership, and the agency will cover Minneapolis and northern Minnesota.

Mr. LaBounta has been a Penn Mutual general agent for 15 years. He is president Minnesota Association of Life Underwriters.

Mr. Liemandt has had 13 years life insurance experience. He is a native of Minneapolis, graduate of DePaul University, 1927, and did post-graduate study at Notre Dame.

He entered life insurance with Sun Life of Canada in 1930 as a clerk in the Minneapolis office. In 1936 he resigned as cashier to go into field work. Later he joined Great-West Life as district organizer at Winona, Mich., and was appointed branch manager at Grand Rapids in 1939, and later in charge of southern Minnesota. Last year he was branch manager of the merged offices of southern Minnesota and St. Paul.

Bernhard Returns with Heifetz Agency

Raymond S. Bernhard, formerly Chicago general agent of Old Line Life of Milwaukee, who for several months has been brokering life business through the Hintzpeter Brothers branch office of the Parsons agency of Mutual Benefit in Chicago, has gone with the Samuel Heifetz agency of Mutual Life of New York there. Mr. Bernhard formerly for about 10 years was connected with that agency, leaving some five years ago. He resumes the agency development work which he formerly handled.

Mr. Bernhard previously for about 10 years was connected with the Heifetz agency, being educational director, conducting brokers and agents schools and doing supervisory work as well. He has been connected with a number of other Chicago agencies in a similar capacity. He is the author of a loose leaf service "Life Insurance for Business & Tax Purposes." Mr. Bernhard will recruit, train and develop agents for the Heifetz agency.

Two Travelers Changes

James T. Metz has been appointed assistant life and accident manager of the John street branch in New York City by Travelers. He has been manager of the company's Rockefeller Center Branch in that city.

Milton E. Sullivan, field assistant, who has been field assistant of the 55 John

street branch, takes charge of Rockefeller Center.

Fleenor Made Wichita Manager

G. K. Fleenor, superintendent of American National, Topeka, has been promoted to manager of the Wichita agency.

Christmas Named Acting Manager

Ernest J. Christmas, who has been with the Montreal agency of Aetna Life for many years, has been named acting manager there during the absence of manager Gilbert W. Boright, who is in service.

Holland Regional Group Manager

L. F. Holland has been appointed regional group manager of Sun Life of Canada in eastern Ontario, Quebec and the Maritime provinces. He has been with Sun Life 16 years, serving its group agencies in St. Louis, Pittsburgh, Chicago and Montreal.

Clarence Schultz, senior underwriter at the home office of Occidental Life has joined the staff of the Hoyt M. Leisure home office general agency in Los Angeles.

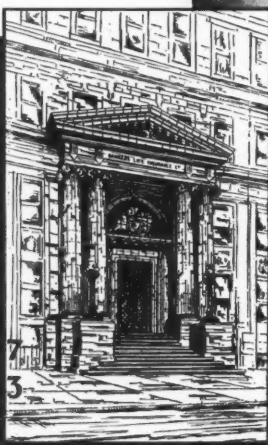
The Ohio senate insurance committee has recommended a bill permitting subdivisions acquiring enterprises covered by group insurance to continue the contract and pay the premiums.

Be sure to specify the Little Gem Life Chart, when asking your home office for a new up-to-date reference book.

Bankers
LIFE
Insurance Company
OF NEBRASKA

Always Building

Our field representatives averaged an increase of almost 24% in their personal income during the past year.



TO INSURE VICTORY

We have closed ranks and geared our services to wartime requirements.

All are dedicated to the proposition of buying War Bonds to the limit of our joint capacity and as we keep our normal business functioning, to devote every ounce of capacity and energy to furthering the war effort.

We join with the life insurance companies of the nation in pledging full cooperation to the Government.

THE PROVIDENT LIFE INSURANCE COMPANY
BISMARCK, NORTH DAKOTA
WESTERN OFFICE
208 PLATT BLDG. PORTLAND, ORE.

ASSOCIATIONS

Most '43 Sales in Home: Hartshorn

ST. LOUIS—Mr. Average Prospect will be best sold in 1943 in the quiet of his home through an interview arranged via his wife, W. W. Hartshorn, Metropolitan Life, Hartford, N. A. L. U. trustee, told the Life Underwriters Association of St. Louis.

He said insurance for taxation, programming or business insurance do not concern Mr. Average Prospect of 1943, whom he describes as a married man with two children and looking forward to home ownership some day.

"He carries on the average about \$2,000 of insurance, unless he is under a group plan, when he may have \$1,000 more. If he had any savings they were exhausted paying his March 15 installment of income taxes. He is putting from 5% to 7% of his earnings into war bonds, unless he is employed by a war plant, in which event his bond purchases aggregate more than 10% of his wages. He is working harder and longer hours than ever before and he makes considerably more money than at any time in his life.

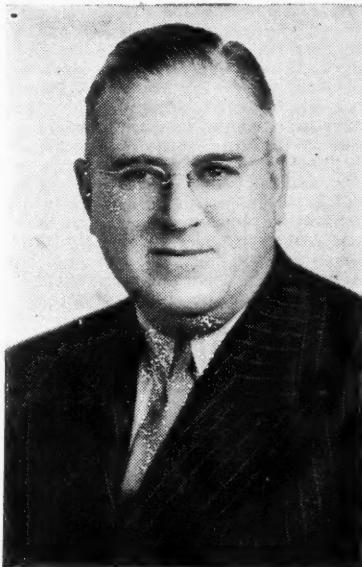
Gas Rationing Benefit to Agent

"In my opinion, 76% of the new business on Mr. Average Prospect will be written in his home. Gasoline rationing is one reason for that. Life insurance agents will benefit from it. They can't run around any more. They are going to see Mr. Average Prospect where he can be seen and where he is able to give the time and thought necessary for a proper presentation and consideration of life insurance."

He said that changed conditions of 1943 have put the woman of the house directly in the middle of the life insurance picture, so that the agent doesn't have to depend on the husband or someone else to sell her on the insurance program.

"If you sell a man life insurance with the wife present, the policy will persist," he added. "Show her the value of the

Now on Coast



LLOYD W. HUMMEL

Lloyd W. Hummel, who has been appointed manager of the Wilshire agency of Los Angeles for California-Western States Life, has been with Farmers & Bankers Life at Lincoln, Neb., for the past 12 years. He was in the midst of a term as president of the Nebraska State Life Underwriters Association when he made his new connection. He attended the University of Nebraska and prior to entering the life insurance business was with a wholesale grocery company.

policy to herself as well as to her husband."

He said that his agency in Hartford has been very successful in using the telephone in arranging interviews with prospects by calling their wives. Social security benefits are something that all working men and their wives are interested in but few know anything about what the social security system will or can do for them. So an interview is arranged to discuss social security benefits with the wife and her husband.

Don't Kid the Prospect

He advised the agents to make their home presentation short and clear. "Don't kid the prospect. He knows why you are there; to sell him something. Mr. Average Prospect is not interested in long winded projections that not even the agent can understand. Give him a chance to say 'No' and don't be afraid to ask for the annual premium in cash. He has plenty of money, so don't hesitate to put on your highest price tag. It is easier to come down than to go up."

He expressed the opinion that agents never will be declared either essential or non-essential.

"You have to justify your job today," he continued. "It is up to you alone to say whether you should remain in the life insurance selling field. When your decision is reached, cut out the bunk and really get down to work."

Connecticut Association Congress Program Given

The annual sales congress of the Connecticut State Association of Life Underwriters will be held at the Connecticut General auditorium in Hartford, April 30.

The speakers arranged for by Frank Alberts of the home office agency of Aetna Life, chairman of the congress, are: Paul Speicher, R & R Service; Wallace M. Watson, Boston general agent of Connecticut Mutual; S. T. Whately, vice-president of Aetna Life, and Judd Benson, manager of the home

office agency of Union Central Life.

The Connecticut association plans to conduct again this summer study course at Connecticut University.

Montana Association Holds Annual Parley at Billings

BILLINGS, MONT.—At its 10th annual meeting the Montana Life Underwriters Association Wednesday heard R. E. Towle, manager of the Helena Federal Reserve Bank; W. G. Preston, "Tooling Up for Tomorrow"; Commissioner Holmes, who was a luncheon speaker; Grant Taggart, president of the National association, and F. E. Young, actuary of Western Life of Montana.

Address All Mo. Groups

Making noon and evening appearances in five towns in three days, John A. Witherspoon, John Hancock, Nashville, immediate past president N. A. L. U., and two Missouri leaders addressed representatives of all local associations in Missouri. Mr. Witherspoon's comrades were Frank Vesser, Reliance Life, president Missouri state association, and Lester Becker, Lincoln National, national committeeman, St. Louis association. The meetings were held in St. Joseph, Joplin, Quincy, Ill., Columbia and Springfield.

San Francisco Caravan Busy

The "caravan" sponsored by the San Francisco Life Underwriters Association, which is presenting programs before outlying associations, was in Stockton last Friday and in Sacramento Saturday and will be in Fresno April 3.

Speakers include W. H. Brock, Jr., Union Central, president San Francisco association; Mrs. Gladys Sinnott, Fidelity Mutual, San Jose; Edwin Golden, New York Life; R. R. Root, Pacific Mutual; Bernard Jaffe, Penn Mutual; H. K. Cassidy, Pacific Mutual, president California association, and Gordon Corryell, Mutual Life, chairman of the caravan committee.

Cassidy Visits Los Angeles

LOS ANGELES—Kenneth L. Cassidy, general agent Pacific Mutual Life in San Francisco and president of the California Association of Life Underwriters, conferred here with directors of the state association and members of the legislative committee on bills now before the legislature affecting life insurance.

Harrold Indiana President

Verlin J. Harrold, home office general agent at Fort Wayne, Ind., of Lincoln National Life, has been elected

president of the Indiana Association of Life Underwriters.

Memphis, Tenn.—"When you take on 'cradle to grave' social security, whether you call it that or you call it the Beveridge plan, you take away initiative, you encourage state socialism," Commissioner McCormack declared.

Expressing the same viewpoint, J. Roger Hull, vice-president and manager of agencies of Mutual Life, said: "Every time the people accept a guarantee of security from their government they surrender an equal amount of freedom. We must decide what portion of security and what portion of freedom we want. We should think a long time before giving up the security that has been built up by free enterprise."

Little Rock.—"The Part of Life Insurance in the Manpower Problem" was discussed by O. Sam Cummings, Kansas City Life, Dallas, past president of the National association.

A report on the mid-year meeting of the National association was given by H. B. Brown, Penn Mutual Life, president of the Little Rock association.

Lincoln, Neb.—Senator C. Petrus Peterson, general counsel of Bankers Life of Nebraska, said private enterprise can no longer be defined as the right to gamble and win. That idea has definitely gone out of life insurance and it is on its way out in other businesses. The day of the exploiter in private business is passing and in the final analysis the only justification for private business is in the kind of service it gives to the public it serves.

Dewitt A. Campbell, district manager of John Hancock, has been elected president to succeed Merle Loder who has removed to Omaha.

Pittsburgh.—The second session of the four-week course in selling life insurance under wartime conditions was concerned with "Handling Objections" and "Using the Telephone Effectively," and included a demonstration by the Bell Telephone Company. Chairman was Jack Sheedy, Reliance Life, and speakers were C. B. Metheny, Fidelity Mutual, and George W. Stewart, Penn Mutual.

N. H. Weider, Reliance Life, led a panel discussion on "Specific Current Objections." Participants in the panel were Fred Brand, Jr., Connecticut Mutual; R. A. Apple, Aetna Life; E. M. Aiken, Provident Mutual; Mr. Stewart, Mr. Metheny, and S. G. Smith, Prudential.

San Francisco—Mrs. Gladys Sinnott, Fidelity Mutual Life, spoke at the meeting of the women's committee Thursday.

Northern New Jersey—The topic April 2 will be "A Study of Women as Life Underwriters." Speakers will be Miss Elsie M. Matthews, Connecticut Mutual, Newark, and Miss Mildred Stone, agency secretary at the home office of Mutual Benefit Life.

Long Beach, Cal.—Robert E. Sanders, district manager of Business Men's Assurance, San Diego, spoke on "My Hobby—Selling Life Insurance." He gave some of his experiences in producing business at the rate of more than \$1,000,000 per year.

Hutchinson, Kan.—R. B. Daniel, general agent of Northwestern National Life, was presented a smoking set in honor of his 70th birthday at the March meeting. Secretary Bert S. Berry made the presen-

Sound—Progressive

CONSERVATIVE Management, Financial Strength and unusual promptness in meeting obligations have won for this Company a commanding position among Financial and Insurance Institutions and in the lives of its thousands of policyholders. Agency relations are most agreeable, helpful and lucrative.

SCRANTON LIFE INSURANCE CO.
SCRANTON, PA.

W. P. STEVENS, President

WHO WRITES WHAT?

Every agency should have a copy of this reference book answering all questions regarding which companies write different forms of life insurance and annuities, including their rules and limits. Send \$2.50 to The National Underwriter, 420 E. Fourth St., Cincinnati.

The Home of Complete Protection

B.M.A.
BUSINESS MEN'S ASSURANCE COMPANY
KANSAS CITY, MISSOURI

W. T. GRANT
President
J. C. HIGDON
Vice-President in Charge of Sales

LIFE • ACCIDENT • HEALTH
ANNUITIES • HOSPITALIZATION • GROUP • ALL-WAYS

tation. Mr. Daniel, who still leads his agency in production, is a past president of the Hutchinson association which he has served in every capacity since its organization, being one of the charter members. He has spent 34 of his 40 years in the life business in Hutchinson.

Wichita—John S. Kerns, Pittsburg district agent of Northwestern Mutual and president of the Kansas association, will speak April 9. At the March meeting W. Z. Johnson, general agent of State Farm Life, was presented the first 100% agency award. A. N. Booth, general manager of the Wichita chamber of Commerce, spoke on the "Second and Third Fronts."

The war bond payroll deduction committee, Paul Jernigan, Penn Mutual, chairman, reports 88% of the 400 eligible firms now participating, representing 48,000 out of 60,000 employees, who are pledged to purchase over \$12,000,000 in bonds.

Santa Monica, Cal.—The southern California caravan of the Los Angeles association presented the program at ladies' night meeting. President Rutherford Moore, Occidental Life, presented J. H. Cowles, Provident Mutual Life, vice president of the Los Angeles association, as program chairman. Caravan speakers included H. W. Persons, Mutual Life; Russell Ray, Prudential; Orlyn Robinson, Mutual Life, and Fred L. McMaster, Ohio National Life.

San Francisco—Gerald F. McKenna, manager Continental Assurance, has been appointed chairman of the nominating committee. The election will be held in May, with inauguration at the June meeting.

The association is staging a drive to collect razors for service men who have been invalidated home from active service and have lost all their personal effects. Because it is impossible for them to secure razors, sometimes 12 to 15 are using the same razor.

Springfield, Mass.—Dan Desmond of Travelers speaks Monday on "Spring Is in the Air."

C. L. U.

C.L.U. Designation Awarded to 11 Producers

Nine candidates who previously passed all C.L.U. examinations and whose experience requirements were completed as of March 22, the date of the mid-year conferment of the American College, have been awarded their C.L.U. designations. One candidate has been awarded the certificate of proficiency and two holders of the certificate become eligible to exchange it for the C.L.U. diploma. Formal presentation of diplomas will be made to the candidates at local C.L.U. chapter and life association meetings. Names of the new C.L.U.'s and the holder of the certificate are:

J. R. Bell, Aetna Life, New York City; J. M. Boone, Southwestern Life, Hillsboro, Tex.; Israel Caplan, Malden, Mass.; H. S. Capps, Winston-Salem, N. C.; A. R. Davison, Roxbury, Mass.; John J. Simpkins, New York City, and E. P. Dore, St. Louis, all of Metropolitan; T. W. Gallagher, agency organizer New York Life, New York City; A. L. Hammer, Massachusetts Mutual, Grand Rapids; G. G. McCarthy, Prudential, Newark; F. M. Moore, general agent Lincoln National, West Lafayette, Ind. (now in army service); Alice L. Meadows, Massachusetts Mutual, Flint, Mich., certificate of proficiency.

There are now 2,054 holding the C.L.U. designation, 81 the certificate of proficiency, and 134 others, recent college graduates for the most part, who have passed all five examinations but must complete three years of experience satisfactory to the college before the C.L.U. designations may be awarded them.

Philadelphia C.L.U. Chapter Puts Out School Booklet

A booklet, "Life Insurance Dollars in Action," has been published by the Philadelphia C. L. U. chapter for use as corollary reading for junior and senior high school students in social science

studies. Most of the social science subjects include the study of life insurance in varying degrees, and it was found, so far as the Philadelphia schools were concerned, that the subject of life insurance was treated entirely from the technical point of view. The booklet aims to teach what life insurance is. Since it is written in simple, non-technical language, it is felt that the booklet also will be helpful as a primary course for new agents as well as a canvassing document.

Miss Alice E. Roche, Paret Agency, Provident Mutual Life, was in charge of the preparation of the booklet, assisted by Runcie L. Tatnall and Franklin G. Stull of Penn Mutual, and Walter A. Craig, State Mutual Life, the author.

Three thousand copies have been distributed among the Philadelphia public schools. It is planned also to provide suburban as well as private schools with copies.

Discuss Business Liquidation

A. F. Breher, Northwestern Mutual Life and Chester R. Jones of the Massachusetts Mutual Life, led a symposium on "Business Liquidation Insurance" at the March 30 meeting of the St. Paul C. L. U. chapter.

RECORDS

Bennie Feldman, special agent New York Life, East Liverpool, O., led Allegheny department in number of paid applications for 1942 and Feb. 15 completed first year with company, paying for 238 cases.

E. W. Albachten, Pacific Mutual Life, Detroit—January and February paid-for production was 53 percent above 1942, placing the agency in third place.

Mrs. Mary Jane Thomas of Gary, Ind., agent of Mutual Life of N. Y., ranked first among all that company's agents in volume of new life insurance sales for February. J. B. Macken, manager Aurora, Ill., announced. She has qualified for the National Field Club for the year ending in June.

Phil Hobbs Gives Manpower Report

(CONTINUED FROM PAGE 1)

great deal of work. In addition to that, an eight page statement on the work of the field man was prepared and sent with the analyses to the commissioner. The analyses and statement were sent to Byron K. Elliott, general counsel of John Hancock and chairman of the A.L.C. committee, on March 10, and a letter expressing his appreciation for the assistance of the N.A.L.U. has been received.

It was decided that the A.L.C. and Life Presidents would send a questionnaire to each of their member companies to get together needed statistics as to life insurance manpower on Jan. 1, 1943, as compared with Oct. 1, 1940. It was further desired that the report should show sex, age groups, length of service and necessity of the business. Mr. Hobbs pointed out that there would be considerable duplication as between the A.L.C. and Life Presidents. There are 173 company members of the A.L.C. and 65 of the Life Presidents but 49 of the latter are also members of the A.L.C. Thus there are only 15 companies in the Life Presidents that are not also members of the A.L.C.

Mr. Hobbs pointed out that this is not the first time the question has arisen in the N.A.L.U. In July, 1918, Lawrence Priddy, then president of the N.A.L.U., got in touch with the then provost marshal general and received from him a letter which said, "The occupation of an insurance agent is not regarded as non-productive employment and, therefore, does not fall under the work or fight order."

Mr. Hobbs expressed the hope that the facts and figures that are presented will cause the business to be regarded

as essential to the economic welfare and national interest. Merely to put the words "life underwriter" after one's name does not make him essential, Mr. Hobbs declared. "The life underwriter proves the essential character of his work by the quality and quantity of his service, and the most others can do is to recognize it." The committee believes that the 15 men composing the joint manpower committee will continue to present the true facts and figures regarding agents to the authorities and as a result of their work the business will be dealt with on a fair basis. The committee recommends to the agents that each strive to his utmost to prove the essential nature of his work both by the quality and quantity of it.

POLICIES

Mass. Mutual Goes to 2½% Basis

On applications postmarked May 1 or later, Massachusetts Mutual will use a 2½% interest basis instead of 3% for computing incomes under the life income, joint life income, and joint and two-thirds options, and will increase rates for retirement income and special retirement income policies and readjust income available on retirement under retirement annuities to the 2½% interest basis.

Employees immediately eligible for participation under pending pension trust plans executed not later than April 30 may be included at present rates if applications are submitted on a prepaid basis and postmarked not later than June 30.

The life policy with elective settlements and retirement income at 50 will be withdrawn because the number issued has been insufficient to justify its continuance.

The annual premium on a \$1,000 policy providing \$10 monthly retirement income at age 65 is \$44.66 for male risks at age 35 compared to \$43.79 on the old basis and \$48.62 for female risks compared to \$47.39.

Lamar Life Liberalizes Its Nonmedical Rules

Lamar Life has revised its non-medical rules. The maximum limit of non-medical that will be issued on one life within a year has been increased from \$2,500 to \$3,000. After one year, an additional \$3,000 will be considered non-medically, or in all \$6,000, while in the past it has been \$5,000. In Louisiana the total amount must be limited to \$3,000 on one life.

Married women will henceforth be considered non-medical for a limit of \$1,000 up to the regular age limit of 45. Pregnancy cases will not be considered without examination, regardless of amount. In the past medical was required on all married female applicants.

Juvenile applicants will be considered as in the past, except that children ages 5-14 may be written according to the present limit of \$3,000.

Any regular plans may be written except term and "anticipator," the latter being issued only for a minimum amount of \$5,000.

Jewel W. Tyson, Richmond general agent of Massachusetts Mutual Life, has been elected lieutenant of a troop of mounted minute men in that city. He was pictured in a Richmond newspaper the other day leading a charge of the cavalry group.

The Chicago "Journal of Commerce" is moving its eastern office to larger quarters at 120 Broadway, New York City, this week. Carl Pearson is eastern insurance editor.

ACTUARIES

CALIFORNIA

Barrett N. Coates

Carl E. Herfurth

COATES & HERFURTH CONSULTING ACTUARIES

582 Market Street
SAN FRANCISCO

437 S. Hill Street
LOS ANGELES

ILLINOIS

DONALD F. CAMPBELL

and
DONALD F. CAMPBELL, JR.
Consulting Actuaries and Public Accountants
35 Years of Service

160 North La Salle Street, Chicago, Illinois
Tel. State 1336

WALTER C. GREEN

Consulting Actuary

211 W. Wacker Dr.
Chicago
Franklin 2433

133 St. Charles Ave.
New Orleans
Raymond 6947

HARRY S. TRESSEL

Certified Public Accountant and
Actuary

10 S. La Salle St., Chicago

Associates
M. Wolfman, A. A. I. A. Franklin 4020
N. A. Moncovitch, A. A. I. A.
W. H. Gillette, C. P. A.
L. J. Lally

INDIANA

Haight, Davis & Haight, Inc.

Consulting Actuaries

FRANK J. HAIGHT, President
Indianapolis—Omaha

HARRY C. MARVIN

Consulting Actuary

221 E. Ohio Street
INDIANAPOLIS, INDIANA

NEW YORK

Established in 1865 by David Parks Fackler

FACKLER & COMPANY

Consulting Actuaries

8 West 40th Street

New York

Consulting Actuaries

Auditors and Accountants

Wolfe, Corcoran and Linder

118 John Street, New York, N. Y.

PENNSYLVANIA

FRANK M. SPEAKMAN

CONSULTING ACTUARY

Associate

E. P. Higgins

THE BOURSE

PHILADELPHIA

TEXAS

GEORGE VAN FLEET

CONSULTING ACTUARY

812 Tribune Tower
AUSTIN, TEXAS

LEGAL RESERVE FRATERALS

Praetorians Wins Good Victory

DALLAS—Praetorians won a resounding victory when the federal court in Fort Worth issued a memorandum opinion upholding the society's demurrer against an action filed by a group of policyholders who sought a receiver because of alleged acts of misfeasance.

Attorneys for the association have been instructed to draw up a formal order denying the receivership action.

By this action the federal court upheld the Texas law that stipulates that a receivership organization can be instituted only by the attorney general, and the court also points out that Praetorians is not only in thoroughly solvent condition, but that if it saw fit to accept the petition of the complaining policyholders it would be forced to liquidate the organization.

The opinion points out that if the court and its receiver made any attempt to build up the society, it would be necessary "to well nigh carry on the regular business of an insurance company, soliciting policies, writing insurance to build up the society and to last for a time, the length of which is not even remotely suggested in the plaintiff's petition. At the same time and at all times, this court so engaged in such business would be subject to the laws of the state of Texas, including supervision by the Board of Insurance Commissioners of Texas, through its constituted agencies. Confronted by this picture of the possible ramifications and conflicts and complications and duration of such a receivership, to say nothing of its very incongruity, it occurs to me if there is not a system of laws in Texas which forbids any court to entertain such a suit, at the instance of policyholders, that there should be. But it is my view that the laws of Texas very definitely deny such plaintiffs the right to file and maintain such a suit."

Fraternal Week Plans Are Taking Final Shape

Plans for Fraternal Life Insurance Week May 3-8 are well under way, according to John E. Little, actuary and field director Maccabees, chairman of the committee this year. Serving with him are: J. F. Fogarty, H. A. Mitchell, Mrs. Helen Kocan, Mrs. Honorato B. Wolowska, F. B. Mallett, Samuel Werlenich, Joseph Ponikvar, E. B. Hauke, T. C. Cashen, James H. Hubbs and T. W. Midkiff.

The observance was authorized by the executive committee of the National

Fraternal Congress and called by proclamation of President Norton J. Williams. The committee appointed the presidents of the 38 state fraternal congresses, including New England, as chairmen of Fraternal Week in their respective states. The Canadian Fraternal Association also is reported to be taking part in the observance this year. Many congresses will not hold banquets this year but all expect to hold meetings commemorating the part fraternal societies are playing in protecting the home front and assisting in the war effort. Several state congresses and many individual societies are conducting war savings bond campaigns.

The Oregon Fraternal Congress is sponsoring one day during Fraternal Week at the George A. White center for service men in Portland, is taking over the victory center for the sale of war bonds another day, and is promoting a state-wide bond sales campaign in conjunction with all lodges in Oregon.

A year ago the committee worked primarily through the congresses of five states but this year is working through all the states having fraternal congresses as well as the Canadian Fraternal Association. The committee also is working in close conjunction with the 96 member societies of N. F. C.

W. D. Riley Enters Service; Jean Fairbank Takes Over

W. D. Riley, publicity director of Maccabees at the head office in Detroit, has been called into the service and is stationed at San Antonio. He enlisted in the air corps last September but was permitted to continue his publicity work for the next six months. He is a graduate of Wayne University and joined the Maccabees in 1938. Jean Fairbank has taken over the publicity and advertising work. She was graduated from Michigan State College, where she was vice-president of the senior class. She did newspaper and radio continuity work and later advertising work for a Detroit department store.

Fidelity Life Managers Hold Conference

A two-day conference of district managers of Fidelity Life was held at the home office in Fulton, Ill., Monday and Tuesday. About 35 managers attended the war-time conference, representing nine states.

Selling life insurance under war-time conditions was discussed. New awards which may be earned in 1943 were announced and material was distributed designed to help recognize needs of individuals. President Walter C. Below welcomed the managers. Thomas O. Hertzberg, general sales manager, supervised the program and spoke on what it was hoped would be accomplished. President Below reviewed the



**THE LEADER
IN
ITS FIELD!**

AID ASSOCIATION for LUTHERANS
APPLETON, WISCONSIN



Sixty
YEARS of SERVICE
1883 1943

As MODERN WOODMEN OF AMERICA completes 60 years of service to members and beneficiaries, it again finds itself functioning in a world at war. In the future all our efforts are pledged toward doing our part in prosecuting the war until it is brought to a victorious conclusion. Through its heritage as a fraternal life insurance society, Modern Woodmen of America will be a strong factor in maintaining the home-front for the duration, and it will be a vital economic force in rebuilding a peacetime America.

It is with justifiable pride that this organization reviews its 60-year record of faithful performance of its appointed duties through previous wars and periods of world-wide economic stress. It faces the future confident that it will continue indefinitely to fulfill its destiny of rendering genuine fraternal life insurance service to the people of America.

Diamond



Jubilee

\$650,000,000
paid in benefits

Assets exceed
\$105,000,000

MODERN WOODMEN of AMERICA
Rock Island Illinois

PROGRESS

EVIDENCES OF DEPENDABILITY IN 1942

Our Insurance in Force	Increased	\$3,000,000
Our Assets	Increased	\$1,000,000
Our Average Age	Decreased	1/10th Year
Our Ratio of Actual to Expected Mortality	Decreased	4%



Members—260,000

Insurance—\$226,000,000

Assets \$59,000,000

THE MACCABEES

THE MACCABEES BUILDING
DETROIT, MICHIGAN

financial statement and the 1942 operations. Harold Allen, publicity director, introduced the new "App A Week" Club, discussed awards to be given outlined qualifications for 1943 production club. Mr. Hertzberg introduced and explained a new sales program for special agents.

Frank Hough, secretary, spoke on how representatives could help the home office to be of greater service. George S. Francis, Minnesota, field supervisor, talked on "Social Security as a Sales Aid."

Mr. Hertzberg introduced a new "Rate Book Quiz," designed so that upon its completion the representative will be fully informed on plans and benefits. Mr. Hertzberg closed the first day with a talk on "Who will Be the Super-Producer?"

The Tuesday session was given over mainly to talks by leading district managers, followed by discussion. These included R. T. Gasaway and James Ferrantino, Illinois; W. D. Nichols, Kansas; Henry Spille, Wisconsin; James Bachman, Nebraska. R. A. Dudderar, field supervisor, explained how to handle conversions. Discussions of current problems followed.

Catholic K. & L. Report

The Illinois department has released its report of its examination of the Catholic Knights & Ladies of Illinois, 16-A Main street, Belleville, Ill., a fraternal. The report is as of June 30. It shows assets \$838,974, reserves \$626,658, surplus \$206,327. The report states that claims have been paid promptly and in accordance with the by-laws and policy provisions. The chief operating officer is H. B. Lengermann. Its insurance in force is \$2,764,321.

Pick Pittsburgh for Parley Sept. 12-16

(CONTINUED FROM PAGE 1)

first of the expanded mid-year get-togethers and has set the style for future meetings since that time. Attendance at the sales congress Saturday exceeded 450 and the ticket sales for that event covered all the local expenses which included two dinners for the visitors.

Thursday morning and afternoon was held an enthusiastic meeting of the managers and general agents section with an attendance of about 190. That evening the St. Louis delegation which was seeking the annual meeting was host at a cocktail party and also the First National Bank of Kansas City entertained in the same way. Then was held the dinner at which the general agents and managers were the hosts. On Friday came the all-day meeting of the national council, then the cocktail party given by the Kansas City companies and a dinner given by the Life Underwriters Association. The sales congress was held Saturday.

Taggart Visits 74 Associations

Grant Taggart led off at the national council meeting with the president's report. Seventy-four associations with a membership of 14,971 have been visited by Mr. Taggart and 246 associations with a roster of 24,700 have been visited by some member of the official family. This constitutes valuable field service work. Membership is increasing throughout the country. As of March 25, dues had been received from 18,607 as compared with 16,714 on the same date last year.

The president touched on the accomplishments of the war savings committee, that on manpower, law and legislation, and others.

A wire was read from Ralph W. Hoyer, John Hancock, Columbus, national trustee, who was unable to attend because of illness. The only other trustee who was not at Kansas City is Jul B. Baumann, Pacific Mutual, Houston. He also is ill.

H. A. Hedges, Equitable Life of Iowa,

Kansas City, reported as vice-president. He dwelt on the speakers bureau activities with enthusiasm and voiced the hope that this will become a permanent program. Perhaps fewer local units should be visited with the national representatives spending more time with the local leaders at each spot.

Walter E. Barton, Union Central, New York, gave the treasurer's report. He estimated that by the end of the fiscal year, June 30, there will be a loss to surplus of at least \$10,000. Surplus accumulated in fair weather will thus be serving its purpose as an emergency fund. For the first eight months there was an operating deficit of \$11,233 as compared with a loss of \$6,975 at the same date last year. The association borrowed \$20,000 earlier in the year but it has now been repaid. The surplus as of June 30, 1942, was \$82,500. Mr. Barton said he is not panicky about the future.

A number of delegates spoke in praise of the speakers bureau activity, saying that membership in local associations has been stimulated by the visits of the national leaders.

Dallas Alderman, vice-president Kansas City Life, extended an invitation to attend the cocktail party given by his company, Business Men's Assurance and National Fidelity Life.

MEMBERSHIP REPORT

W. W. Hartshorn, Metropolitan Life, Hartford, spoke as membership chairman. He urged the use of the "Visual Aid" that was put out by headquarters in recruiting new members. He predicted confidently that the membership at the end of the fiscal year will greatly exceed that of last year.

Marshall Roberts, Reliance Life, Louisville, said his association got the industrial men to join. A luncheon was given for the industrial managers and their cooperation obtained. Membership has increased to 237, from 136.

Fred Duckett, Northwestern Mutual, Los Angeles, said his association has reached a membership peak, the gain being due to acquisition of 250 debit men, who are paying their dues weekly. Even though the Prudential men are paying \$24 a year to the CIO union they are willing to pay \$12 to the local association.

Regional Meetings in Chicago

James Brennan, Fidelity Mutual, said the Chicago association has gained much from holding regional meetings throughout the city. The Chicago group is carrying on the books 142 men who are in military service. Miss Joy Luidens, Chicago executive secretary, also told something of the Chicago work, especially in keeping in touch with members in the armed forces.

Mr. Hartshorn said that except in Chicago and Detroit the large cities are lagging and work must be done in those centers.

Harold Sharpe, General American, president of the Texas state association, promised an increase in his state.

John A. Witherspoon, John Hancock, Nashville, immediate past president, gave a review of the federal law and legislative committee's work.

State Law and Legislation

A report on state law and legislation was presented by Philip B. Hobbs, Equitable Society, Chicago. He said primary attention has been devoted to blocking savings bank insurance in the 14 states that have mutual savings banks but which do not have a bank insurance setup as in Massachusetts, New York and Connecticut. The Mutual Savings Bank League got out a model bill and is seeking its passage. The N. A. L. U. sent its material on the subject to the leaders in the 14 states. In Maine the life underwriters put up a stiff fight and it appears that the bill has been pigeonholed. He predicted savings bank bills will be passed nowhere this year.

In the absence of Harry T. Wright, Equitable Society, Chicago, who was to have reported for the agents com-

pensation committee, James E. Rutherford, executive vice-president, gave his opinions on the subject. The plans so far submitted for revising compensation, he declared, are not adequate. The old system was keyed to lump sum settlements, it does not provide proper compensation for the service rendered in a day of installment payment of proceeds. Most of the proposed changes consist merely in cutting the same pie into different size pieces. A larger pie is needed. The Hampton bill in New York, permitting companies to pay salaries, will enable the companies to improve the system but passage of the bill will produce nothing unless the companies take the action that is permitted by the amendment.

In the place of Jul Baumann, who was to have reported for the state association committee, Clancy D. Connell, Provident Mutual, New York, took the platform as chairman of a special committee to look into the possibility of bringing about better integration of state associations with the N. A. L. U. There are now 38 state and regional associations.

The committee proposes at some future time consideration of a better definition of the duties of state associations. The committee voted against having the state associations collect dues from the local associations and remit \$3 per head to the N. A. L. U. Also the committee opposed allocating part of the \$3 N. A. L. U. dues to the state association. The rainy day has come in the N. A. L. U. and there may be even greater need to draw on its surplus that has been accumulated over the good years. Ample support for a state association will be forthcoming when the organization furnishes valuable service. Certain minimum standards should be established for state associations. Model by-laws have been drafted with the desire that they be made mandatory. Functions of state associations should comprise legislation, sponsoring sales congresses and conventions and stimulating membership in cooperation with local associations including assistance in forming new local units. An upper limit of \$2 per head should be set on payments by local associations to state organizations without special approval by the N. A. L. U. trustees and it should be mandatory for all local groups to belong to a state or regional body where it exists.

Cites California Situation

H. K. Cassidy, Pacific Mutual, San Francisco, said in California there are 150 sustaining members of the state association who pay \$10 each. The assessment for the other members is only \$1. Mr. Cassidy wondered whether the proposal would outlaw the California setup. Mr. Connell said that so long as the total received by the state group is at a rate not exceeding \$2 per man, the arrangement would be proper. Gifts from companies, as in Massachusetts, or voluntary contributions would be permissible. The proposed limit applies only to assessments.

Wallace Darling, Bankers Life of Iowa, Cedar Rapids, said in Iowa funds have been raised by special assessments for specific legislative purposes. Mr. Connell said the trustees would doubtless sanction such special contributions.

Mr. Connell said the purpose of the limitation is to prevent the spreading of such heavy state assessments that the welfare of the national organization would be jeopardized.

War Bond Period

Due to the fact that a large part of the afternoon was taken up with a war bond period, the consideration of a number of other important features, especially the war manpower question, had to be compressed.

Roy Ray Roberts, State Mutual Life, Los Angeles, opened the afternoon session with a message on education of the agent and education of the public, a subject that has become his specialty.

Sidney Wertimer, Prudential, Buffalo, gave a report on the work that has been done so far on an experimental basis

of life underwriters lending a hand to the army in selling National Service Life Insurance and providing insurance advice and assistance to the military personnel. The task now is to devise a specific operation for the soldiers service bureau that can be duplicated at any army camp. He suggested that this might be a splendid project for local C.L.U. chapters.

Report By Phil Hobbs

Lester Schriver, Aetna Life, Peoria, presented memorials for certain leaders who died in recent months. Philip B. Hobbs, Equitable Society, Chicago, reported for the committee on manpower but due to the fact that the hour was getting late and the war bond period was ahead, there was no time for discussion.

W. H. Andrews, Jr., Jefferson Standard Life, Greensboro, N. C., led off on the war bond discussion. He said that some 28,000 life insurance agents have been active in the war bond work, about 100,000 firms have been approached, 76,950 payroll savings plans have been installed under which 15,000,000 employees are enrolled. The total sales and pledges through 1943 amount to about \$1,404,000,000. The next big push comes in April when the war savings staff and the Victory fund committee join hands to sell \$13 billion of bonds. Of that amount the banks are to take \$5 billion and the public \$8 billion.

Boyd Fisher, assistant field director of the war savings staff, gave an eloquent and forceful address. He paid tribute to the insurance agents who have supplied imagination and transmitted it to the average worker in the factory in the war bond campaign. These men, he said, know how to fire the imagination about the fundamental things in which the people are interested. Now the life underwriters are being called upon to double their efforts. Their "bosses" in the new campaign are the heads of the Federal Reserve Banks.

Mr. Fisher presented Treasury citation (CONTINUED ON LAST PAGE)

NAME OR NUMBER?

Here an agent is a real flesh and blood personality to everyone in the Home Office from the office boys to the President AND—we are not so big that anyone on the assembly line forgets that an agent can only make his money on delivered policies. That's why the app gets right-of-way until the policy is in the mail bag.

CENTRAL LIFE Insurance Company

of Illinois

211 W. Wacker Drive, Chicago

ALFRED MACARTHUR, President

Sales Ideas and Suggestions

Oklahoma Congress Treats Wartime Selling Problems

OKLAHOMA CITY—The sales congress of the Oklahoma Association of Life Underwriters drew an attendance of nearly 400 from all parts of the state. The program endeavored to present the life insurance picture under war conditions. J. Hawley Wilson, president, Massachusetts Mutual, gave the address of welcome, and then turned the meeting over to W. P. Stagg, New York Life, general chairman.

Owing to illness of Tom B. Reed, Great Southern, his address, "As a Personal Producer Sees It," was read by Tom Wilson. Referring to the insurance men taking defense jobs, he asked: "Since when has it become unpatriotic to sell a dad \$3,000 of life insurance for the protection of his family? Didn't the government say in effect to every man entering the armed forces, 'You should own \$10,000 more life insurance for the benefit of your family?'"

Getting to See Defense Worker

The problem in getting business from a defense worker is the difficulty in getting to see him, H. P. Gregory, assistant manager Metropolitan Life, Oklahoma City, said. Industrial agents solve this through a system of next-door, getting-acquainted calls, using old policyholders as centers of influence. Answers to a questionnaire he sent out included these methods of contacting defense workers: Door-to-door canvass in residential districts where skilled workmen live; spend a certain time each day copying automobile license numbers from parking lots of plants doing war work; eating lunch where foremen, supervisors and skilled workmen congregate; getting acquainted with the night superintendent and getting names of employees earning \$30 and up.

The average life agent makes only three calls per day, A. M. Embry, Kansas City manager of Equitable Society, said in discussing "Meeting Today's Problems in Our Work."

"If you were the boss, would you pay yourself what you earn in a day? I

think the answer would be no. If I met you on the street tomorrow, how much of these splendid talks you hear today could you tell me about?" The average agent must change his attitude toward his business—have a program and follow it. An agent should bear in mind that he is not the representative of his company but of the prospect.

Smaller Contracts in Limelight

There are a lot of men in defense work who never saw an insurance agent, I. S. Kibrick, New York Life, Boston, said. People are divided into two classes—those that care and those who do not care. "Now the responsibility faces us of leading those who do not care into the path of caring—of making them see and understand."

With big policies having less possibilities, smaller contracts are coming into the limelight, he contended. "The girl in your doctor's office, your grocer, your druggist, nurses and women making more than they ever made in their life—the people right around you—there is the field for business under existing conditions. They are not defense workers—but they are getting the money and they are the ones who will buy insurance."

At the luncheon Theo Green, one of the top producers of Massachusetts Mutual in Oklahoma City, spoke on the advantages of membership in the association.

Paul F. Clark, vice-president of John Hancock Mutual Life, said life insurance is needed now more than ever, because of the increased mortality among civilians. He contended that no business has more influence in the economic picture of the world today than life insurance and a great deal depends upon what the agents do, on how much confidence, enthusiasm and courage they inject into the people in the immediate future.

Governor Kerr of Oklahoma was unable to attend but sent a strong tribute to life insurance, which was read at the congress.

Woman Market Is Offering Great Possibilities

Life agents have a wonderful market in the women, who have control over at least 70 percent of the property in this country, and especially because women are coming into their own in business and the professions, speakers declared in the Saturday Forum conducted by the Chicago Association of Life Underwriters. But the warning was issued that agents not talk down to their women prospects, not permit them to feel that the agents consider them less intelligent or able than the men.

Women prospects need to be as well informed as men prospects, Helen M. Zepp, Equitable Society, Chicago, declared in a talk on "Women Are People." She said they have been pestered to death by the wrong kind of sales people until perhaps many of them are suspicious of every salesman who comes in.

"We must establish our own prestige," she said. "One way is by securing a referred lead so that your name will have some definite connection with a past connection of your woman prospect.

Also you must impress her with the feeling that you desire to serve her at least as much as you desire to sell her a policy.

"Women hate and fear the prospect of dependency quite as much as men, if not more. The greatest thing in a woman's life is financial independence.

"You should tell her that marriage does not always solve her financial problems. You needn't pull your punches. Woman is the world's greatest realist. Women have about the same life insurance needs as men, the need for protection of living income, protection for dependents, money for retirement. Women must retire sooner than men and live, on the average, four years longer. They are handling a large proportion of the wealth in this country today."

Treat Them Like Adults

Miss Zepp said in view of this fact that women certainly can be trusted to be told the truth about their situation, their need for life insurance pro-

tection, and be treated like adults and not undergraduates.

N. E. Loose, Prudential, discussed the principles to be followed in selling life insurance to women. He took this up especially from the viewpoint and experience of an industrial life agent. Does selling life insurance to women differ fundamentally from selling it to men? "Their needs differ only slightly but certain adjustments must be made. Plan to work on an appointment basis when selling to women," he said. "It is much easier to get in to see them when they expect you. Employed women are more difficult to see in the daytime. See them on evenings or weekends; make a definite appointment. Suggest that the woman come up to your office. You will find she will be complimented at being treated just like a man prospect."

Prudential Man's Views

Mr. Loose urges using referred leads whenever possible as he said this is about 50 percent of the sale. It carries much more weight with women. He also recommended determining to deal with women on the basis of mental equality. "Don't ever run down the thinking qualities of women," he warned. "Don't talk down to them as you would to 'freshmen,' as to do so raises a barrier in their minds. Let them think they know something too. Speak in non-technical terms.

"Build the approach quickly to the point. Don't drag it out in attempting to sell to women. The first words in your interview should be very persuasive. A woman perhaps does not have man's persistency in sitting through a long sales talk. Sales to men involve exploration, attempting to find out their needs and what interests them. In approaching women you need an appointment and therefore an extra amount of interest.

Window Shopping Approach

"A very effective talk is the one which uses a 'window shopping' approach which makes the point that it doesn't cost a woman anything to look the proposition over. Another plan that is effective is the personal pension approach. Women are used to discussion of pensions and pension plans but the personal pension is something different. "The question of safety of the plan is uppermost in a woman's mind. She wants to know how sound it is. The average working woman realizes that her total earnings are likely not to be so great as those of men. They are thrifty and more inclined than men to be on the saving side.

"Tell a straightforward story and the woman prospect will not blink at the facts. She has less tendency to evade issues than does the average man." Mr. Loose said that in closing women true life stories are very effective. He urged being real and human.

Paints Picture of Poor Farm

A story which he uses paints a picture of the poor farm with an aged woman living in a cell-like room and getting along on a minimum of rough diet. On the other side he points out that the price of life-long care in an old woman's home where the environment is comfortable and pleasant, the room neat and the fare good, is only \$3,000.

P. B. Hobbs, Chicago agency manager of Equitable Society, whose agency for many years has had a woman's department, discussed the various types of women and what appeals to them. The business woman recognizes the need of fire and other kinds of property insurance and she can be approached on life insurance by stressing the depreciation of life values. Her company has reserves for depreciation of property values

so she will quickly get the point. When her retirement time comes, how is she going to get her money out of the business? A woman in business has more difficulty than a man in doing so. She must arrange as she goes along, Mr. Hobbs said, to take some of her interest in the business out of it.

Housewife Unexplored Field

The housewife as a buyer of life insurance has been greatly overlooked by agents, Mr. Hobbs said. Every life agent should ask every policyholder if his wife owns life insurance. Sometimes it will result in a joint life insurance sale.

The housewife today is even more necessary in the home economy than before. It is difficult to hire a maid. What would the man of the house do if his wife should die? What is the housewife worth where there are children involved? How much would the husband have to spend in wages and expenses for persons to discharge the functions of his wife? If the husband in the average home owns \$10,000 to \$15,000 of life insurance, Mr. Hobbs said, his wife should have a minimum of \$2,500; if he owns \$25,000 she should have \$5,000; if he has \$50,000 she should have \$10,000.

Mr. Hobbs pointed out that with food rationing already in effect, and clothing and other types of rationing a prospect of the near future, the functions of the housewife have become complicated and technical. To buy today requires intelligence. This fact adds to the economic value of the housewife which should be covered by life insurance.

Wealthy Woman a Trustee

In the case of the woman of wealth, Mr. Hobbs said, it is not generally recognized that she is a trustee for her children or for whomever comes behind her and she should endeavor to make sure that her wealth passes on as she got it. She should carry life insurance on her life for the benefit of her children. The wealthy woman rarely has sufficient income to buy enough life insurance to do what she wants done, Mr. Hobbs said, therefore, she usually has to change some of her principal into cash. The life insurance sale in this class, therefore, is made out of principal and not income.

There are various objections that will be encountered, he said. One is that the woman expects to get married. This, if properly viewed by the agent, is a help rather than a hindrance to the sale. Another objection is, "I have no dependents." An excellent answer to this, he said, is that the woman, therefore, has nobody to support her, so her old age problem is her very own and she must do something about it.

Insurance Vs. Savings

If the woman places her confidence in other plans of saving, the agent can point out that the length of the average savings plan is not geared to the ultimate needs of the woman, whereas life insurance is calculated to mature when the need arises. It is a long term proposition with non-forfeiture value.

If she looks upon life insurance as "death insurance," that is, on an industrial basis, the agent can say effectively, "My plan will, I hope, mature while you are alive."

If the woman does not want to tie herself up to a definite plan, the agent can point out that she is already tied up either to a successful or an unsuccessful program, whether she wants it or not. By adopting a life insurance plan that is well designed she can assure herself of being tied up to a successful program.

R. W. Depau, Jr., Prudential, presided.

N.A.L.U. Council Holds Mid-Year Conference

(CONTINUED FROM PAGE 22)

tions for payroll savings work to Harry T. Wright, Equitable Society, Chicago, past national president, whom he said originated the idea; Grant Taggart, John A. Witherspoon, John Hancock, Nashville, immediate past president; Wilfrid E. Jones, executive secretary, and W. H. Andrews, Jr. The regional war bond leaders for the N.A.L.U. will receive such citations later, Mr. Fisher said.

The next speaker was Dan Nee, former collector of internal revenue, who is now administrator for Missouri of the war savings staff. He said that Gale F. Johnston, now a vice-president of Metropolitan Life, who is a former trustee of the N.A.L.U. and for several months was connected with the Treasury department in creating a war bond selling organization, gets the credit for building up one of the greatest sales organizations ever originated.

Other speakers were Evan Griffith, war savings staff administrator for Kansas, and Leo Porter, former general agent for Lincoln National Life at Wichita, who is now deputy war savings administrator for Kansas. Other speakers included George Huth, Provident Mutual, who is co-chairman of the Chicago activities, who remarked that one of the by-products of the payroll savings program has been improvement in employer-employee relationships, and Lester O. Schriver, Aetna Life, Peoria, Ill.

Mr. Rutherford then mentioned the matter of the annual meeting and Vice-president Herbert A. Hedges, Equitable Life of Iowa, Kansas City, put a motion in favor of holding an annual meeting which was adopted.

Frank Vesser Reports

Frank Vesser, Reliance Life, St. Louis, reported for the elections committee which supervised the election of a five man nominating committee.

Prewitt B. Turner, Home Life, president of the Kansas City General Agents & Managers Association, presided at the day-long session Thursday for agency heads. The program was in charge of the Research Bureau with Marshall Holcombe, manager of the bureau, and L. W. S. Chapman, editor, in charge. At the afternoon session E. M. McConney, vice-president Bankers Life of Iowa, gave the same stirring message that he has been giving in other sections of the country.

The sales congress Saturday was a great success, with a battery of national headliners performing at the top of their form. W. L. McPherrin, Kansas City Life, president of the Kansas City association, presided. Capt. Elmer Wheeler, executive officer of the marine corps at Kansas City, who in private life is a writer and lecturer on sales psychology, gave a long and witty talk in his rapid fire, staccato fashion that delighted the audience. At the banquet Thursday evening Captain Wheeler gave a short talk which was a foretaste of his Saturday's performance. Edward J. Dore, Mutual Benefit Life, Detroit, was the other speaker at the morning

Pensions Primarily for Social, Business Purposes

WASHINGTON — Though more pension plans have been installed since the advent of the social security act than were established in all the 60 years before that time, the fact that plans encompassing these and other benefits antedate any income tax incentives indicates that the primary purpose of these plans is for social and business motives, M. M. Goldstein, general agent Connecticut Mutual Life, New York City, and director of the Pension Planning Company, declared at a meeting under the auspices of the Washington Life Insurance Trust Council and the fiduciaries' section of the District of Columbia Bankers Association. These social and business motives he said include rewarding long service, relieving needs, improving employee morale, increasing economy of operation by removal of aged workers, developing more aggressive working forces through promotion of younger employees, reduction of labor turnover, and making the social security act effective in a practical way by supplemental benefits. Naturally, an era of high profits before deduction of taxes, supplemented by high tax rates accelerates the establishment of these plans by interested employers, he pointed out.

Indiana Filings Delayed

INDIANAPOLIS—An exceptionally large proportion of complete annual statements were not filed with the Indiana department by the March 1 deadline. Shortage of clerical help and mechanical equipment was blamed. In Indiana one of the oldest and largest life companies has had only two crippled adding machines.

Under the Indiana code an insurance company may not advertise figures from its annual statement until it has filed its report with the department. To meet this situation, Commissioner Viehmann has permitted some companies to file that part of the statement which shows the financial operations and condition at the end of the year, allowing the detailed analysis sections to follow later.

"Non-Can" Case Reopened

LOS ANGELES—The California supreme court, which has had under submission the suit of Commissioner Camineti vs. Pacific Mutual Life, to determine the measure of damages sustained by non-cancellable policyholders of Pacific Mutual Life who elected not to accept the offer in the rehabilitation plan, has vacated its order of submission and has directed that additional briefs be filed within 30 days.

session. He emphasized the importance of an agent building prestige by getting a reputation as a hard worker, one who can be believed in and accepted by the public. He advised the agents to do the things systematically that they know they should do.

The afternoon speakers were W. W. Hartshorn, Metropolitan Life, Hartford; President Grant Taggart and Executive Vice-president James E. Rutherford.

Los Angeles Man Is Travelers Life Leader

LOS ANGELES—Production of \$1,750,000 of paid for life insurance in 1942 puts Harold S. Parsons of Travelers in Los Angeles in No. 1 place for his company. It is all straight life insurance; no group cases, no annuities, no pension trusts.

A life member of the Million Dollar Round Table, he also has been a qualifying member for six years and all necessary papers for his seventh year's qualification are ready for submission.

In addition to leading in selling life insurance, he paid for a substantial volume of accident and health insurance in 1942, and also handles a considerable amount of general insurance. He has been active in the sale of war bonds and in Community Chest and Red Cross activities and is national committeeman of the Life Underwriters Association of Los Angeles.

He believes in using low pressure methods and selling for the future. His formula for successful life insurance selling includes: Forget the immediate commission. Contact groups of people in the same business and profession, groups who know each other and have the same problems. Select the groups that have the ability to buy, that is the successful ones, those in the better income brackets. Plan for the future. Program your work. Work. Successful and consistent production is the natural result of following out self-imposed habits—habits of work methods, habits of mental attitude, habits of selecting the type of prospect whom you desire as your future clients.

A native of Toronto, Mr. Parsons served 4½ years overseas in the former war with the Canadian army, and returned with the rank of lieutenant-colonel. In 1925 he became an agent of Travelers in Toronto and soon ranked as one of its leading producers in Canada. In 1928 he sold his business in Toronto and went to Los Angeles. He has led all Travelers agents on the Pacific Coast in life insurance production each year and was the leader in the United States and Canada in 1938 as well as in 1942.

Collier's Gives Boost to Life Insurance

The April 10 issue of "Collier's" carries an editorial on insurance pointing out how potent a factor it has been in building our social and economic strength. It is entitled "Private Enterprise, Public Good."

After remarking upon the fact that Americans and Canadians own 75% of the world's life insurance and reviewing the record of Metropolitan Life "Collier's" states:

"A few years ago some political theorists looked covetously at the savings accumulated by the insurance companies for their policyholders. There was talk of the government taking them over. It wasn't done: insurance companies stood too well with their customers. In such private enterprise for public good lies the rock-bottom strength of the United States."

Service Men's "Snack" Contest Conducted

The home office agency of Penn Mutual, of which Joseph H. Reese is general agent, has been conducting a production contest with an unusual war angle. The contest is for the honor of helping to send a package of snacks to some associate who is now in the armed forces. There are 32 of these service men. A board in the office displays 32 "ration cards," one for each of these service men, each card with space to fill in 10 ration coupons.

Coupon Is Issued

A coupon is issued to an agent as soon as he has produced a matched application and examination. Then he has the privilege of pasting the coupon on the ration card of whichever of the service men he prefers. As soon as a ration card is filled up with its 10 coupons the agency mails that service man a box filled with cookies and jams.

There are two maps on the office wall next to the ration cards, one a map of the states, the other a map of the world, and the present location of each service man is spotted on one of two maps on the office wall, one a map of the United States and the other of the world.

Each day the portrait of two service men is displayed, and on the table is a partly written letter to him. Any agent may add a signed paragraph to the letter, which is mailed at the end of the day.

Woman Is Okla. Leader

Miss Margaret Willour of the Oklahoma branch of New York Life is having an exceptionally good year. She was the leader in the branch during January with \$70,500 of business and in February her production totaled \$84,500. She has been in the business eight years and was formerly a registered nurse, serving during the former war.

FIGURES FROM DEC. 31, 1942, STATEMENTS

	Total Assets	Increase in Assets	Surplus to Policyholders	New Bus. 1942	Ins. in Force Dec. 31, 1942	Increase in Ins. in Force	Preme. Income 1942	Total Income 1942	Benefits Paid 1942	Total Disburs. 1942
Bankers Mutual, Ill.	1,946,370	102,296	1,237,872	1,935,046	26,949,976	540,135	581,680	657,896	415,303	554,443
Equitable Life, D. C.	19,889,895	2,302,137	717,551	29,614,285	155,519,368	11,166,754	4,933,430	6,029,834	1,371,186	3,692,521
National Home Life	207,611	1,991	128,696	665,623	1,605,425	355,923	35,898	45,288	7,973	43,847
New World Life	12,886,303	506,964	1,864,240	6,089,361	47,719,843	2,635,435	1,312,652	2,031,104	703,204	1,502,993
Standard Life, Can.	18,794,955	478,253	*	2,318,875	38,322,308	703,947	1,032,773	1,995,313	928,502	1,242,871
State Mutual, Mass.	250,157,639	10,769,686	9,528,663	36,238,045	630,024,335	10,074,030	19,547,222	33,880,727	13,524,114	22,796,323
Union Life, Ark.	1,245,483	173,096	*	10,987,787	24,465,100	3,917,485	686,678	748,017	107,647	618,606
United Services	1,244,321	567,340	203,824	27,174,390	—1,406,024	—	641,214	694,610	136,085	229,964
FRATERNALS										
Ben Hur Life	16,687,345	—26,560	650,725	3,742,283	62,299,150	3,817,409	1,830,028	3,145,986	1,859,377	3,371,650
Knight's of Columbus	53,492,032	—2,583,580	5,369,818	18,638,508	253,650,232	—928,838	4,210,979	8,011,268	4,270,142	6,184,580
Neighbors of Woodcraft	6,776,347	682,731	700,215	684,650	30,881,760	—812,212	1,490,599	1,693,448	766,231	1,019,383
North American Union	2,953,618	223,260	382,343	456,100	11,467,548	—410,000	478,689	695,967	317,900	507,712
W'dm'n of the W'ld, Col.	18,899,645	521,393	713,179	2,292,059	52,183,872	—1,906,808	2,139,679	2,907,098	1,981,937	2,368,923

*Includes revivals.

†Increase is result of acquisition of Grand Fraternity and by change in method of carrying juvenile business.

*Mutual Company.

THE UNITED STATES LIFE INSURANCE COMPANY

IN THE CITY OF NEW YORK

A&H PROTECTION ON AND OFF THE JOB

Contracts to meet the needs of today.

USLife Special (A&S 2) offers accident and sickness coverage both on and off-the-job. The policy is designed to provide such basic benefits as death, dismemberment, loss of time and medical attendance indemnities. Your prospects include men (A through G), and women (A through E).

USLife Non-Occupational (A&S 1) is available to workers in hazardous occupations or others who need to supplement present insurance with off-the-job protection. Every industrial worker is a prospect. The company will consider monthly salary deductions for 10 or more employees.

Chicago Agents:

Engelbard & Co., 175 W. Jackson Blvd.
Joseph G. Orr, 111 W. Washington St. Rm 504
W. Welsh Pierce Agency, 10 So. LaSalle St.



STEADFAST FOR 93 YEARS

"The National Life Canteen"

a variety musical program,
sponsored by this Company,
is now visiting various Army
camps in the Nashville area
each Sunday afternoon for
the entertainment of service
men.

It is broadcast direct from
the camps on our radio sta-
tion, WSM, Sundays at 4
p. m., C. S. W. T.



The
**NATIONAL LIFE
AND ACCIDENT
Insurance Company, Inc.**

C. A. CRAIG, Chairman of the Board C. R. CLEMENTS, President
HOME OFFICE NATIONAL BLDG.
NASHVILLE TENNESSEE
SHIELDS YOU



New Advertising Plan

The purpose of this new advertising plan is to tie together three phases of advertising which can help the agent toward increased production.

The plan enables Connecticut Mutual agents simply, inexpensively and with lack of burdensome detail to put into action the ANSWERS to such questions as:

1. How can I pump new blood into my file?
2. How can I save time and travel?
3. How can I keep my prospects from cooling off?
4. What is the best way to use advertising literature to my very real advantage?
5. How can I use advertising and the telephone to line up appointments?

"Designed to Help the Salesman Sell"

The Connecticut Mutual
LIFE INSURANCE COMPANY Hartford

F I N A N C I A L C O N D I T I O N O F
THE ÆTNA LIFE AFFILIATED COMPANIES

Hartford, Connecticut

December 31, 1942

Morgan B. Brainard, President



These figures are a guarantee of financial freedom and protective power for hundreds of thousands of Ætna policyowners. They stand for mighty resources directed at the conservation of life and property values. They are heartening figures, reflecting the enthusiastic work of thousands of Ætna representatives and employees. And no small part of the results revealed by these figures was due to the efforts of the nearly two thousand Ætna men and women who now serve in the armed forces of their country.

-[CONDENSED STATEMENTS]-

93rd Annual Statement of The Ætna Life Insurance Company

ASSETS	LIABILITIES	Capital	\$15,000,000.00
\$847,864,568.93	\$802,222,074.04	Surplus	30,642,494.89
		Surplus to policyholders	\$45,642,494.89

36th Annual Statement of The Ætna Casualty and Surety Company

ASSETS	LIABILITIES	Capital	\$3,000,000.00
\$89,064,288.47	\$63,015,440.54	Surplus	23,048,847.93
		Surplus to policyholders	\$26,048,847.93

30th Annual Statement of The Automobile Insurance Company

ASSETS	LIABILITIES	Capital	\$5,000,000.00
\$32,778,446.28	\$17,856,180.58	Surplus	9,922,265.70
		Surplus to policyholders	\$14,922,265.70

33rd Annual Statement of The Standard Fire Insurance Company

ASSETS	LIABILITIES	Capital	\$1,000,000.00
\$6,702,551.58	\$3,499,918.38	Surplus	2,202,633.20
		Surplus to policyholders	\$3,202,633.20

<i>Paid to or for policyholders since organization</i>	<i>\$2,159,562,876.46</i>
<i>Total premium income—all companies—1942</i>	<i>209,278,373.28</i>
<i>Life insurance in force December 31, 1942</i>	<i>5,230,527,654.00</i>
<i>Increase in life insurance in force during 1942</i>	<i>373,728,582.00</i>

The Ætna Life Affiliated Companies write practically every form of insurance and bonding protection